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# ***JPRS Report—***

# **Soviet Union**

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***Economic Affairs***  
***USSR Customs Code, Tariff Law***

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**USSR Customs Code Published**

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[Text of USSR Customs Code]

[Text] For the purpose of creating conditions for a fundamental reorganization of federative relations, formation of a market economy within the common economic space of the USSR, and increase in the foreign economic activity of republics, national-territorial formations, enterprises, and organizations, this code establishes customs principles in the USSR on the basis of the unity of customs territory and customs duties and fees. The code aims at ensuring the observance of rights and duties in the area of customs practice by customs and other state bodies, as well as by enterprises, organizations, and citizens.

**Section I**

**GENERAL PROVISIONS**

**Chapter I. Customs Practice**

**Article 1. Customs Policy and Practice**

A uniform customs policy, which is an integral part of USSR foreign and domestic policy, is implemented in the USSR. Republics, on the basis of principles of federalism, economic independence, and mutual responsibility of the USSR and republics, participate in the formation and implementation of customs policy through their representatives in USSR supreme bodies of state power and administration and, in another manner, in accordance with this code, the USSR Law on Customs Tariff, and other USSR legislative acts.

The procedure of transfer through the USSR customs border of goods and other items, customs taxation, registration, and control, and other means of implementation of customs policy constitute customs practice.

Customs practice is developing in the direction of harmonization and unification with norms and standards generally accepted in international practice with active USSR participation in international cooperation in matters pertaining to customs practice.

**Article 2. Customs Territory and the USSR Customs Border**

USSR territory constitutes a single customs territory.

The boundaries of USSR customs territory represent the USSR customs border. The USSR customs border coincides with the USSR state border, with the exception of cases specified by the third and fourth parts of this article.

USSR customs territory includes the territories of artificial islands, installations, and structures established in the USSR economic zone, over which the USSR has exclusive jurisdiction with respect to customs practice.

Customs-free zones can be established on USSR territory by USSR legislative acts, or in accordance with the procedure established by them. This code, the USSR Law on Customs Tariff, and other USSR legislative acts, which regulate customs practice, are applied with respect to these zones with exceptions determined by legislative acts on customs-free zones. The boundaries of such territories represent an integral part of the USSR customs border.

**Chapter II. Customs Administration**

**Article 3. Customs Management**

USSR supreme bodies of state power and administration carry out general customs management.

For the purpose of working out proposals on matters of customs tariff regulation with due regard for the interests of republics and the USSR as a whole, as well as of economic and public associations, and for other purposes specified by the USSR Law on Customs Tariff and by other USSR legislative acts, a customs tariff council operates under the USSR Customs Committee. The council membership and its competence are determined by the USSR Law on Customs Tariff and by acts of the USSR President.

In order to ensure an interaction of law enforcement and other state bodies of the USSR and republics in the control of the international illicit traffic of narcotic drugs and psychotropic substances, the Union Coordinating Council operates. The membership of the Union Coordinating Council for the Control of International Illicit Traffic of Narcotic Drugs and Psychotropic Substances and its competence are determined by the USSR President.

**Article 4. USSR Customs Bodies**

The direct implementation of customs practice is entrusted to USSR customs bodies.

USSR customs bodies form a single all-Union system, which includes:

—the USSR Customs Committee;

—USSR regional customs administrations;

—USSR customhouses.

The establishment, reorganization, and liquidation of USSR regional customs administrations and USSR customhouses are carried out by the USSR Customs Committee. USSR regional customs administrations are established on the territory of republics with their consent.

USSR regional customs administrations and USSR customhouses operate within the regions determined by the USSR Customs Committee on the basis of the goals of coordinated development in foreign economic activity by the USSR and republics and activation of foreign economic relations of enterprises and organizations, as well as with due regard for the opinion of republics, whose territories form the regions. The boundaries of such regions may not coincide with the borders among republics and among the administrative-territorial formations of these republics.

Managers of USSR regional customs administrations are appointed by the USSR Customs Committee with due regard for the opinion of the republic, on whose territory such a customs body is located.

#### **Article 5. Main Tasks of USSR Customs Bodies**

USSR customs bodies, when implementing customs policy, accomplish the following main tasks:

- 1) ensuring the observance of customs legislation;
- 2) efficient application of the customs tariff mechanism during the transfer through the USSR customs border of goods and other items and of the administrative procedure of import and export of goods and other items; entering customs duties and fees in the Union budget;
- 3) improvement in customs control and registration; creation of conditions promoting an accelerated commodity and passenger turnover through the USSR customs border;
- 4) control of smuggling and other violations of customs rules committed during the transfer of goods and other items through the USSR customs border; stopping the illicit traffic of narcotic drugs, weapons, items of cultural and historical legacy of the peoples of the USSR and foreign countries, objects of intellectual property, and other items through this border, as well as providing assistance in the control of international terrorism and stopping illegal interference at USSR airports in the activity of international civil aviation;
- 5) management of USSR customs statistics;
- 6) assistance in the development of foreign economic relations of the USSR, republics, and USSR regions;
- 7) assistance in the implementation of measures aimed at protecting the interests of Soviet consumers of imported goods;
- 8) ensuring that state bodies, enterprises, organizations, and citizens are informed on matters pertaining to customs practice; training, retraining, and improvement in the skills of specialists in these matters for state bodies, enterprises, and organizations;
- 9) ensuring the fulfillment of USSR obligations with respect to USSR international treaties in the part concerning customs practice; cooperation with customs and

other competent bodies of foreign states and international organizations engaged in matters pertaining to customs practice;

10) performance of scientific research and consultation in the area of customs practice.

#### **Article 6. Officials of USSR Customs Bodies**

Only USSR citizens can be officials of USSR customs bodies.

Personal titles are conferred on officials of USSR customs bodies. Personal titles are established by USSR legislative acts.

The wearing of uniforms is established for officials of USSR customs bodies. The uniform is determined by the USSR Cabinet of Ministers and the rules of wearing it, by the USSR Customs Committee.

The provisions of the second and third parts of this article also apply to managers and specialists of customs laboratories and to the faculty, directors, and specialists of scientific research and educational institutions operating under the USSR Customs Committee.

#### **Article 7. Flag and Identification Mark of USSR Customs Bodies**

USSR customs bodies and sea-going and river vessels at their disposal have a flag. Motor transport facilities and aircraft at the disposal of USSR customs bodies have an identification mark.

Descriptions of the flag and the identification mark are attached to this code.

#### **Chapter III. Relations of USSR Customs Bodies and Their Officials With Other Bodies, Enterprises, Organizations, and Citizens**

##### **Article 8. Interaction of USSR Customs Bodies and Their Officials With Other Bodies, Enterprises, Organizations, and Citizens**

For the purpose of accomplishing customs tasks, USSR customs bodies interact with other state (including law enforcement) bodies, enterprises, organizations, and citizens.

During customs control and registration the causing of damage to other state bodies, enterprises, organizations, and citizens, humiliation of citizens' honor and dignity, and commission of other illegitimate actions are not permitted.

State bodies, which are not engaged in general customs management, do not have the right to make decisions affecting the competence of USSR customs bodies in the area of customs practice, or to interfere in another manner in the activity of these bodies, which corresponds to the provisions of this code and other legislative acts of the USSR and republics.

**Article 9. Responsibility of USSR Customs Bodies and Their Officials to Citizens, Enterprises, and Organizations**

USSR customs bodies and their officials, who permit illegitimate actions against citizens, enterprises, and organizations, bear responsibility to them in accordance with this code and other legislative acts of the USSR and republics.

Damage done to enterprises and organizations by the illegitimate actions of USSR customs bodies and their officials during the performance of official duties by these persons is compensated for on the usual terms.

**Article 10. Appeals Against Illegitimate Actions of USSR Customs Bodies and Their Officials Violating Citizens' Rights**

Appeals against illegitimate actions of USSR customs bodies and their officials, who violate citizens' rights, are filed and examined in accordance with the procedure established by this code, the USSR Law "On the Procedure of Appealing to the Court Against Illegitimate Actions of State Management Bodies and Officials Infringing on Citizens' Rights," and other legislative acts of the USSR and republics.

**Article 11. Appeals by Enterprises and Organizations Against Illegitimate Actions of USSR Customs Bodies and Their Officials**

Appeals by enterprises and organizations against illegitimate actions of USSR customs bodies and their officials, unless otherwise specified by this code, are filed with a USSR superior customs body. The appeal is examined and a decision on it is rendered within a 5-day period.

**Article 12. Cooperation of USSR Customs Bodies With Bodies of Foreign States and International Organizations**

During the performance of their functions USSR customs bodies cooperate with customs and other competent bodies of foreign states and international organizations.

**Section II**

**TRANSFER AND PASSAGE OF GOODS AND OTHER ITEMS THROUGH THE USSR CUSTOMS BORDER**

**Chapter I. Legal and Organizational Principles of Transfer of Goods and Other Items Through the USSR Customs Border**

**Article 13. Terms Used in This Code**

In this code the following are meant:

1) by "import into the USSR and export from the USSR"—the actual transfer of goods and other items through the USSR state border;

2) by "transit through USSR territory"—transfer of goods and other items through USSR territory between two points of the USSR state border under customs control;

3) by "transfer through the USSR customs border"—import into USSR customs territory, export from this territory, or transit through USSR territory of goods and other items by any method, including the use of pipeline transport and electric transmission lines;

4) by "passage through the USSR customs border"—authorization by a customhouse for the use of goods and other items on USSR customs territory, or outside this territory, for purposes declared to a customhouse;

5) by "free circulation"—disposal of goods and other items passed through the USSR customs border without customs control on USSR customs territory or outside this territory;

6) by "temporary import into USSR customs territory and temporary export outside this territory"—import into USSR customs territory on condition of back export outside it and export from USSR customs territory on condition of back import into this territory;

7) by "customhouse" and "USSR customs body"—a USSR customs body of any level;

8) by "enterprise and/or organization"—Soviet and foreign enterprises, associations, institutions, and other organizations, as well as joint enterprises with the participation of Soviet and foreign legal entities and citizens;

9) by "declarant"—a citizen, an enterprise, an association, an institution, and another organization declaring goods and other items;

10) by "items"—any items transferred through the USSR customs border;

11) by "goods"—property of enterprises and organizations transferred through the USSR customs border;

12) by "transport facilities"—transport facilities used for international transport of freight, luggage, and passengers, or for other economic activities outside USSR customs territory, which arrive on USSR customs territory or depart from this territory, unless otherwise indicated in this code;

13) by "things"—items for personal use, including transport facilities for individual use, transferred through the USSR customs border;

14) by "currency and valuables"—Soviet currency, foreign currency, and other currency and valuables, the list of which is determined by USSR legislative acts and which are transferred through the USSR customs border;

15) by "inherited property"—items forming part of an estate opened abroad or in the USSR, which are transferred through the USSR customs border;

16) by "items of international and foreign organizations and missions—items intended for official or service use by diplomatic and consular missions of foreign states on USSR territory, international organizations, and missions of foreign states attached to them, which are transferred through the USSR customs border.

#### **Article 14. General Provisions on Transfer of Goods and Other Items Through the USSR Customs Border**

Any goods and other items, the import of which into the USSR and export from the USSR are not prohibited or restricted, as well as the transit of which through USSR territory is not prohibited, can be transferred through the USSR customs border in accordance with the procedure established by this code, the USSR Law on Customs Tariff, and other USSR legislative acts.

Goods and other items are transferred through the USSR customs border under customs control.

The transfer of goods and other items through the USSR customs border is subject to customs registration.

The transfer of goods and other items through the USSR customs border is carried out at places of location of customhouses. At other places goods and other items can be transferred through the USSR customs border only with the consent of a customhouse.

The import into the USSR, export from the USSR, and transit through its territory of goods and other individual items can be prohibited by USSR legislation.

Prohibitions and restrictions should not create unjustified obstacles for the performance of any types of activities not connected directly with the circumstances which were the reasons for the establishment of such prohibitions and restrictions. Prohibitions and restrictions should be revoked when the reasons for their establishment are eliminated.

#### **Article 15. Location of Customhouses**

Customhouses are located:

1) on the USSR customs border, which coincides with the USSR state border—at points of passage on the USSR state border, through which railroad, motor vehicle, sea, river, air, and other communication is carried out, as well as in other regions of USSR customs territory;

2) at points located on the USSR customs border, which represents the boundaries of customs-free zones, as well as in regions of customs-free zones.

The planning, construction, and reconstruction of customs infrastructure facilities are carried out by the USSR Customs Committee in accordance with the procedure provided for by the legislation of the USSR and republics. Republics grant land plots for stationing such facilities in accordance with the procedure established for all-Union purposes.

### **Chapter II. Procedure of Transfer of Goods and Other Items Through the USSR Customs Border**

#### **Article 16. Procedure of Transfer of Transport Facilities Through the USSR Customs Border**

Transport facilities can be transferred through the USSR customs border in accordance with the legislation of the USSR and republics.

Transport facilities (including transport facilities for individual use), which cross the USSR customs border, stop at the place of location of a customhouse on this border.

At points of passage on the USSR state border the length of stoppage of transport facilities, with the exception of transport facilities for individual use, and the place of this stoppage are determined by the appropriate transport enterprise jointly with frontier forces, a customhouse, and other interested organizations with due regard for the time necessary for customs control and registration, as well as frontier and other types of control.

The length of stoppage of transport facilities at such points cannot be shortened in detriment to customs control and registration.

The departure of transport facilities, including transport facilities for individual use, from such points is carried out with the permission of a customhouse and frontier forces, and from other points on the USSR customs border, at which customhouses are located, with the permission of a customhouse.

#### **Article 17. Procedure of Import of Goods into USSR Customs Territory and Export Outside This Territory**

Goods can be imported into USSR customs territory and exported outside this territory in accordance with the legislation of the USSR and republics.

#### **Article 18. Procedure of Transit of Goods Through USSR Territory**

The list of transit routes and directions and other conditions for the transit of goods through USSR territory are established by the USSR Cabinet of Ministers.

#### **Article 19. Procedure of Transfer of Things Through the USSR Customs Border**

Citizens can freely transfer through the USSR customs border any things, with the exception of things, the import of which into the USSR and export from the USSR are prohibited or restricted, as well as the transit of which through USSR territory is prohibited.

USSR legislation can establish quantitative and value restrictions on the transfer through the USSR customs border of individual types of things, as well as the grounds on which such a transfer is permitted.

**Article 20. Procedure of Transfer of Currency and Valuables Through the USSR Customs Border**

Currency and valuables can be imported into USSR customs territory and exported outside this territory in accordance with the procedure established by USSR legislation.

**Article 21. Procedure of Transfer of Inherited Property Through the USSR Customs Border**

Items forming part of an estate opened in the USSR or abroad can be transferred through the USSR customs border in accordance with the procedure provided for by articles 19 and 20 of this code.

Documents on the right of inheritance and on the belonging of these items to an estate, which are legalized in accordance with the established procedure, are the grounds for the import into the USSR of items forming part of an estate opened abroad.

Documents on the right of inheritance and on the belonging of these items to an estate are the grounds for the export from the USSR of items forming part of an estate opened in the USSR.

**Article 22. Procedure of Transfer of Items Through the USSR Customs Border by Citizens in Transit Through USSR Territory**

The provisions of articles 19 and 20 of this code apply to items transferred through the USSR customs border in hand and accompanied luggage of citizens in transit through USSR territory, who are not in the transit zone of an international airport.

**Chapter III. Passage Through the USSR Customs Border**

**Article 23. General Provisions on Passage Through the USSR Customs Border**

Goods and other items are passed through the USSR customs border:

- 1) for free circulation on USSR customs territory or outside this territory;
- 2) for purposes of temporary import into USSR customs territory or temporary export outside this territory;
- 3) for transit through USSR territory.

Goods and other items are passed on the completion of customs registration in the volume corresponding to the purpose of their transfer through the USSR customs border.

Goods and other items, with respect to which customs privileges in the imposition of customs duties are granted, can be used only for purposes, in connection with which such privileges are granted. The use of goods and other items for other purposes is permitted on the completion of appropriate customs registration.

The following goods and other items cannot pass through the USSR customs border:

- 1) prohibited for import into the USSR, export from the USSR, or transit through its territory;
- 2) with respect to which customs registration was not carried out;
- 3) transferred through the USSR customs border with a violation of the provisions of this code and other USSR legislative acts.

**Article 24. Passage for Free Circulation**

The following goods and other items are passed through the USSR customs border for free circulation:

- 1) for the import of which into USSR customs territory, or export outside this territory, customs duties and fees were paid, if in accordance with the USSR Law on Customs Tariff and other USSR legislative acts such goods and other items are subject to customs taxation;
- 2) for the import of which into USSR customs territory, or export outside this territory, the grounds specified by USSR legislation are presented to a customhouse;
- 3) for customs registration of the transfer of which through the USSR customs border and their storage customs fees were paid to a customhouse.

Goods and other items, on which customs duties and fees are imposed during transfer through the USSR customs border, can pass for free circulation without the payment of these duties and fees in case an enterprise, an organization, and a citizen are granted a deferred or installment payment of customs duties and fees in accordance with the USSR Law on Customs Tariff, this code, and other USSR legislative acts.

Goods and other items can be declared to a customhouse for free circulation:

- 1) during transfer through the USSR customs border;
- 2) after passage for purposes of temporary import into USSR customs territory or temporary export outside this territory;
- 3) during the period of storage under customs control.

**Article 25. Passage for Purposes of Temporary Import or Temporary Export**

Goods and other items imported temporarily into USSR customs territory, or exported temporarily outside this territory, are passed for a period not exceeding 1 year from the day of passage through the USSR customs border. On the application of an enterprise, an organization, and a citizen this period can be extended by the USSR Customs Committee on the basis of the length of economic, scientific, humanitarian, and other types of activities carried out with the use of such goods and other items.

The USSR Customs Committee has the right to determine cases when temporary import and export of goods and other items are permitted against an obligation for back import or back export. In such cases goods and other items passed through the USSR customs border should be returned to USSR customs territory, or outside this territory, without any changes except for natural wear.

During back import into USSR customs territory, or back export outside this territory, goods and other items can be passed by any customhouse.

Before the expiration of the period indicated in the first part of this article goods and other items passed for the purpose of temporary import into USSR customs territory should be:

- 1) exported outside this territory;
- 2) or declared to a customhouse for free circulation;
- 3) or transferred to a customhouse for appropriation by the state;
- 4) or transferred to a customhouse for storage;
- 5) or destroyed under the control of a customhouse, if such goods and other items cannot be used as products or materials.

Before the expiration of the period indicated in the first part of this article goods and other items passed outside USSR customs territory for purposes of temporary export should be:

- 1) imported into USSR customs territory;
- 2) or declared to a customhouse for free circulation outside this territory;
- 3) or declared to a customhouse as lost or destroyed outside USSR customs territory, if the fact of the loss or destruction is confirmed in accordance with the procedure established by the USSR Cabinet of Ministers.

#### **Article 26. Passage for Transit Through USSR Territory**

The following goods are passed for transit through USSR territory:

- 1) for the transit of which through USSR territory the grounds specified by USSR legislation were presented to a customhouse;
- 2) for customs registration of the transfer of which through the USSR customs border fees were paid to a customhouse.

### **Section III**

#### **CUSTOMS CONTROL**

##### **Article 27. General Provisions on Customs Control**

For the purpose of ensuring the observance of the procedure of transfer of goods and other items through the USSR customs border by state bodies, enterprises, organizations, and their officials, as well as by citizens, customs control is carried out.

Customs control is carried out by customhouse officials through a check of documents necessary for such control, customs examination (examination of transport facilities, goods, and other items and personal examination), and recording of items transferred through the USSR customs border, as well as in other forms specified by this code and by other USSR legislative acts.

Technical facilities safe for the life and health of people, animals, and plants and not doing damage to enterprises, organizations, and citizens can be used during control.

The method of control by customhouse officials is determined by the USSR Customs Committee.

##### **Article 28. Period During Which Goods and Other Items Are Under Customs Control**

Goods and other items transferred through the USSR customs border are under customs control:

- 1) during import into USSR customs territory for free circulation—from the moment of import until passage through the USSR customs border;
- 2) during export outside USSR customs territory for free circulation—from the moment of presentation to a customhouse of goods and other items, as well as documents for such goods and other items necessary for customs control, until export outside USSR customs territory;
- 3) during temporary import into USSR customs territory—from the moment of import until export outside USSR customs territory;
- 4) during temporary export outside USSR customs territory—from the moment of presentation to a customhouse of goods and other items, as well as documents for such goods and other items necessary for customs control, until passage through the USSR customs border during back import;
- 5) during transit through USSR territory—from the moment of import into the USSR until export from the USSR.

#### **Article 29. Customs Control Zones**

Territories of points of passage through the USSR state border determined by a customhouse jointly with frontier forces form customs control zones.

At points on the USSR customs border, which represents the boundaries of customs-free zones, as well as on the

territory or premises of an enterprise and an organization engaged in the storage of goods and other items under customs control, a customhouse independently determines the territories of such control zones.

The transfer of goods and other items to the territory of the customs control zone, or outside such territory, is controlled by a customhouse.

#### **Article 30. Documents Necessary for Customs Control**

An enterprise and an organization transferring goods and other items through the USSR customs border, as well as a citizen crossing the USSR customs border, must submit documents necessary for customs control to a customhouse.

The list of such documents is determined by this code and by other USSR legislative acts.

The procedure of presentation of such documents is determined by the USSR Customs Committee in accordance with this code and other USSR legislative acts.

#### **Article 31. Examination of Goods and Other Items**

For the purpose of establishing the legality of transfer of goods and other items (with the exception of things) through the USSR customs border, recording them, and imposing customs duties and fees on them, a customhouse has the right to examine transport facilities, goods, and other items.

The representative of an enterprise or an organization transferring such goods and other items through the USSR customs border, or storing them, must be present during the examination.

#### **Article 32. Examination of Things**

If there are grounds for assuming that a citizen transfers through the USSR customs border items subject to control by other state bodies, recording, or imposition of customs duties, as well as items, the transfer of which through the USSR customs border is prohibited or restricted, a customhouse has the right to examine things by opening this citizen's hand and [accompanied] luggage.

For the purpose of stopping the transfer of items prohibited for transit through USSR territory, things of citizens in transit through USSR territory, who are in the transit zone of an international airport, can be subject to examination.

An examination of a citizen's things is carried out in the presence of this citizen alone, or his authorized representative.

An examination of things in the absence of a citizen, or his authorized representative, is carried out:

1) If there are grounds for assuming that unaccompanied luggage contains items, which pose a danger to the life

and health of people, animals, and plants, or can do material damage to citizens, enterprises, and organizations;

2) in case of nonappearance of a citizen, or his authorized representative, within 1 month from the day of arrival of things in unaccompanied luggage;

3) during the shipment of things by international parcel post.

In the absence of a citizen, or his authorized representative, things are examined in the presence of representatives of the enterprise or the organization transporting and sending such things, or storing them.

A document on the performance of an examination in cases indicated in points 1 and 2 of the fourth part of this article is drawn up according to the form established by the USSR Customs Committee.

#### **Article 33. Access of Customhouse Officials to the Territory or Premises of Enterprises and Organizations**

For the purpose of customs control, customhouse officials have the right of access to the territory or premises of any enterprise or organization, where items subject to customs control are located.

#### **Article 34. Customs Safeguards**

A customhouse can affix seals, stamps, and other customs safeguards to transport facilities (including transport facilities for individual use), premises, capacities, and other places containing goods and other items subject to customs control and not passed through the USSR customs border.

#### **Article 35. Report on Other Crimes, in Addition to Smuggling, to Preliminary Investigation Bodies**

If elements of other crimes, in addition to smuggling, are uncovered during customs control, the customhouse chief, or his deputy, reports the available data to the procurator, or to the investigator.

#### **Article 36. Personal Examination**

Personal examination, as an exclusive form of customs control, can be carried out according to a written decision by the customhouse chief, or the person replacing him, when there are sufficient grounds for assuming that the citizen, who crosses the USSR customs border, or is in the customs control zone, or in the transit zone of an international airport, conceals on his person smuggled items, or items which are direct objects of violation of customs rules, or items prohibited for transit through USSR territory.

Before the beginning of an examination the customhouse official must present a written decision by the customhouse chief, or the person replacing him, to the citizen, acquaint the citizen with his rights and duties during such an examination, and suggest that he voluntarily produce the concealed items.

A personal examination is carried out by a customhouse official of the same sex as that of the person examined in the presence of two witnesses of the same sex in an isolated room, which meets sanitary and hygienic requirements. Access to this room by citizens who do not participate in the examination and the possibility of observation of a personal examination by such citizens should be ruled out. An examination of a person's body organs should be carried out only by a medical worker.

A report on a personal examination is prepared according to the form established by the USSR Customs Committee in coordination with the USSR Ministry of Justice.

The report is signed by the customhouse official who carried out the personal examination, by the citizen who was examined, by witnesses, and, during an examination by a medical worker, by this worker as well. The citizen, with respect to whom the examination was made, has the right to make a statement in such a report.

The method of personal examination is determined by the USSR Customs Committee in coordination with the USSR Ministry of Justice, the USSR Ministry of Foreign Affairs, and the USSR Ministry of Health.

#### **Article 37. Exemption From Customs Control**

A customhouse does not have the right to apply all or individual customs control measures only in cases specified by this code and by other USSR legislative acts.

Nonapplication of customs control should not signify the exemption of state bodies, enterprises, organizations, their officials, and citizens from the duty to observe the procedure of transfer of goods and other items through the USSR customs border.

#### **Article 38. Exemption of Warships, Vessels, and War Materiel From Examination**

Warships, the Navy's support vessels fully staffed with military crew, and fighting aircraft crossing the USSR customs border are not subject to customs examination. The Navy's support vessels staffed with mixed crew, military transport aircraft, and other vessels performing—according to a special declaration by the USSR Ministry of Defense—missions of a military-operational nature, which cross the USSR customs border, and military equipment proceeding at its own pace are exempt from an examination, unless otherwise specified by USSR legislative acts.

Things belonging to servicemen are not exempt from an examination, unless otherwise specified by USSR legislative acts.

Commanders (captains) of the ships and vessels indicated in the first part of this article, as well as of military units, which include military equipment, bear the responsibility for the observance of the provisions of this code and other customs legislation acts.

Foreign warships (vessels), fighting and military transport aircraft, and military equipment arriving in the USSR, or going abroad, are not subject to examination.

### **Section IV**

#### **CUSTOMS DUTIES AND FEES**

##### **Article 39. Imposition of Customs Duties on Goods and Other Items**

The imposition of customs duties on goods and other items transferred through the USSR customs border is carried out in accordance with the USSR Law on Customs Tariff.

##### **Article 40. Customs Fees for the Performance of Duties Entrusted to a Customhouse**

Customs fees are collected for customs registration of transport facilities (including transport facilities for individual use), goods, and inherited property, as well as things transferred through the USSR customs border in unaccompanied luggage, by international parcel post, and by freight.

If, in accordance with the provisions of this code, goods and other items are subject to transfer to a customhouse for storage, a customs fee at the rate of 0.1 percent of the value of such goods and other items is collected for every day of storage by a customhouse of goods and other items (except for currency and valuables) during the first 30 days, 0.5 percent, during the next 30 days, and one percent subsequently.

The rates of customs fees specified by the first part of this article are established by the USSR Cabinet of Ministers.

##### **Article 41. Customs Fees for Provision of Services in the Area of Customs Practice**

Customs fees are collected for customs registration of goods and other items outside the places of its implementation, including territories or premises of the enterprise and the organization storing goods and other items under customs control, as well as outside the work time established for a customhouse, and for the storage of goods and other items under the responsibility of a customhouse in cases when their transfer to a customhouse for storage is not mandatory in accordance with this code.

Fees for customs registration of goods and other items on the territory or premises of the enterprise and the organization indicated in the first part of this article are also paid by this enterprise and this organization in cases when such registration is carried out by officials of USSR customs bodies permanently located on their territory or premises.

The rates of customs fees specified by this article are established by the USSR Customs Committee on the

basis of the fact that these rates should not exceed the approximate value of the services provided by a customhouse.

#### **Article 42. Currency in Which Customs Fees Are Paid**

Customs fees are paid both in Soviet currency and in foreign currency purchased by USSR banks, and fees for customs registration of goods, which are the objects of foreign trade transactions, in Soviet and foreign currencies. Other cases when part of the customs fees is paid in foreign currency are determined by the USSR Cabinet of Ministers.

Foreign currency is recalculated into Soviet currency at the USSR State Bank rate applied for settlements in foreign economic operations in effect on the day of presentation by a customhouse of the demand for payment of customs fees.

#### **Article 43. Deferred and Installment Payments of Customs Fees**

On the application of an enterprise and an organization a customhouse has the right to grant deferred or installment payments of customs fees for a period not exceeding two months. In such cases a customhouse can demand a guarantee of the fulfillment of obligations for the payment of customs fees.

#### **Article 44. Use of Customs Fees**

Customs fees are used for purposes of developing customs practice in the USSR.

The USSR Customs Committee prepares and publishes an annual report on the expenditures of funds received as a result of the collection of customs fees.

### **Section V**

## **CUSTOMS REGISTRATION**

### **Chapter I. General Provisions**

#### **Article 45. Procedure of Customs Registration**

For the purpose of ensuring customs control over the transfer of goods and other items through the USSR customs border and the application of means of state regulation concerning the import into USSR customs territory, export outside it, and transit through USSR territory of goods and other items, customhouse officials perform operations connected with customs registration of such transfer.

The operations forming part of customs registration and the procedure of their performance are determined by this code and by other USSR legislative acts.

#### **Article 46. Place and Time of Customs Registration**

Customs registration is carried out at places and during the time of work of a customhouse established by a

customhouse in coordination with interested state bodies of the USSR and republics.

At the request of enterprises and organizations transferring goods and other items through the USSR customs border, customs registration can be carried out at other places and at another time.

The USSR Customs Committee has the right to establish that customs registration of goods and other individual items is carried out at specific customhouses.

#### **Article 47. Presence of Enterprise and Organization Representatives, as Well as Citizens, During Customs Registration**

Enterprise and organization representatives, as well as citizens with authority with respect to goods and other items subject to customs registration, have the right to be present during such registration.

In cases specified by this code the presence of enterprise and organization representatives, as well as citizens, during customs registration is mandatory.

#### **Article 48. Language in Which Customs Registration Is Carried out**

Customs documents specified by this code are registered in the Russian language.

#### **Article 49. Freight Operations With Goods and Other Items**

An enterprise, an organization, or a citizen crossing the USSR customs border, at the request of a customhouse, must load, unload, reload, repair the damage to the packaging of, unpack, pack, or repack goods and other items subject to customs registration, as well as open premises, capacities, and other places, which can contain such goods and other items.

Expenditures connected with freight and other operations indicated in the first part of this article are compensated for in accordance with the procedure provided for by the legislation of the USSR and republics.

The loading, unloading, reloading, repair of the damage to the packaging, unpacking, packing, or repacking of goods and other items, with respect to which customs registration was not completed, as well as a change in the identification marks and labeling applied to these goods and items, or to their packaging, can be carried out only with the permission of a customhouse.

#### **Article 50. Customs Registration and Control by Other State Bodies**

Customs registration can be completed only after veterinary, phytosanitary, and other types of control by state bodies with respect to goods and other items transferred through the USSR customs border.

**Article 51. Taking of Samples and Specimens**

In order to impose customs duties on goods and other items and for other purposes of customs registration and control, as well as in order to ensure the protection of interests of Soviet consumers, a customhouse has the right to take samples and specimens of goods and other items and customs laboratories, to conduct their investigation (expert examination).

Samples and specimens are taken in minimum quantities ensuring an investigation of these samples and specimens. The taking of samples and specimens and their investigation, as well as their disposal, should not groundlessly delay the passage of goods and other items.

Enterprises, organizations, and citizens should be notified of the results of the conducted investigation and of the disposal of the samples and specimens taken from them.

Samples and specimens of goods and other items, with respect to which customs registration was not completed, can be taken for control by state bodies indicated in article 50 of this code only with the consent of a customhouse.

The procedure of taking samples and specimens by a customhouse and the period and procedure of their investigation, as well as their disposal, are established by the USSR Cabinet of Ministers.

**Article 52. Reports Drawn up by Enterprises and Organizations**

Enterprises and organizations transferring goods and other items through the USSR customs border draw up reports on noncorrespondence of goods and other items to the data contained in the documents necessary for customs control and on the damage both to goods and other items and to their packaging. Such reports should be presented to a customhouse.

**Article 53. Duty of a Customhouse To Explain Customs Registration Requirements**

A customhouse must inform enterprises, organizations, and citizens of the procedure of customs registration.

When passage of goods and other items through the USSR customs border is denied, a customhouse must give exhaustive explanations of customs registration requirements, the fulfillment of which ensures the possibility of passage.

**Chapter II. Declaration of Goods and Other Items****Article 54. Goods and Other Items Subject to Declaration**

Transport facilities and goods, as well as items of international and foreign organizations and missions, are declared to a customhouse.

Items not mentioned in the first part of this article are declared to a customhouse in cases determined by the USSR Customs Committee.

**Article 55. Forms of Declaration**

A declaration is made by stating, according to the established form (written, oral, or another), accurate information on the purpose of transfer of goods and other items through the USSR customs border and on the goods and other items themselves, as well as other information necessary for customs control and registration.

**Article 56. Duties of the Declarant**

A declaration of transport facilities and goods, as well as of items of international and foreign organizations and missions, is made by enterprises and organizations, or by international and foreign organizations and missions transferring such goods and items through the USSR customs border, or on the basis of a contract by other enterprises and organizations cleared for declaration by a customhouse.

Items not mentioned in the first part of this article are declared by citizens transferring such items through the USSR customs border.

The declarant must:

- 1) present goods and other items transferred through the USSR customs border to a customhouse;
- 2) submit documents containing information necessary for customs control and registration to a customhouse;
- 3) pay customs duties and fees, if goods and other items are subject to customs taxation.

Enterprises and organizations mentioned in article 57 of this code, with the permission of a customhouse, can perform some operations connected with customs registration. The results of such customs registration are not binding on a customhouse.

**Article 57. Clearance of Enterprises and Organizations for Declaration on the Basis of a Contract**

Clearance by a customhouse of an enterprise or an organization for declaration on the basis of a contract is carried out through the issue of a certificate on recognition as a declarant to such an enterprise and an organization.

Clearance is carried out on the application by an enterprise or an organization to a customhouse, in the region of activity of which they are located.

An application should be examined within 15 days from the day of its receipt. A customhouse has the right to request the missing information on the applicant from enterprises, organizations, banks, financial institutions, and other state bodies. The total period of examination of an application should not exceed two months.

A certificate not accepted by the applicant within 6 months from the day a decision on recognition is rendered, as well as in case of nonperformance of the functions of a declarant during 1 year from the day of acceptance of a certificate, becomes null and void.

A certificate can be revoked by the customhouse that issued it in case of:

- 1) repeated nonperformance of the duties of a declarant;
- 2) subsequent disclosure of the falsity of information, which was of great importance for the adoption of the decision on clearance for declaration;
- 3) commission of offenses specified by this code;
- 4) commission of other actions violating the rights of other enterprises and organizations, or damaging state interests.

A reapplication for clearance for declaration can be examined on the expiration of 1 year from the day of revocation of a certificate, provided the reasons for violations are eliminated, or from the day when the certificate became null and void.

A fee in an amount established by the USSR Cabinet of Ministers is collected for the issue of a certificate. The fee is entered in the Union budget.

A customhouse ensures an official publication of the list of enterprises and organizations cleared for declaration.

#### **Article 58. Person Authorized for Declaration**

Actions connected with the declaration of transport facilities and goods, as well as items of international and foreign organizations and missions, are carried out by the person who is the declarant's representative.

The person's authority should be determined so that he can exercise the rights and duties of a declarant in a full volume.

A customhouse has the right to demand from the person the presentation of documents confirming his authority and, if there are well-founded doubts as to the conscientiousness of implementation of actions connected with declaration by this person, to suggest that the declarant's authority be revoked.

#### **Article 59. Procedure of Declaration**

The procedure of declaration, including its forms and the list of information subject to declaration, is determined by the USSR Cabinet of Ministers.

### **Chapter III. Transportation of Goods and Other Items Among Customhouses**

#### **Article 60. Transportation of Goods and Other Items Among Customhouses**

Goods and other items, with respect to which customs registration has not been completed, including goods in

transit through USSR territory, can be transported from one customhouse to another under the responsibility of the enterprise, the organization, and the citizen that accepted such goods and other items for transportation.

Expenditures on such transportation are compensated for in accordance with the procedure provided for by the legislation of the USSR and republics.

#### **Article 61. Rights and Duties of the Carrier**

An enterprise, an organization, and a citizen have the right not to accept goods and other items for transportation among customhouses in cases of:

- 1) registration of customs and transport documents with a violation of the established procedure;
- 2) if the customs safeguards affixed to a transport facility and to the packaging of goods and other items do not rule out the possibility of access to transported goods and other items without a violation of such safeguards.

The enterprise, the organization, and the citizen that accepted goods and other items for transportation must deliver to the customhouse of destination goods and other items, as well as documents for them, which are subject to presentation to this customhouse.

#### **Article 62. Period of Delivery of Goods and Other Items, as Well as of Documents**

Goods and other items accepted for transportation among customhouses, as well as documents for them, which are subject to presentation to the customhouse of destination, should be delivered to this customhouse on the date set by the customhouse of departure in accordance with the usual period of delivery on the basis of the capabilities of the type of transport used for such shipment, the planned route, and other conditions of transportation.

#### **Article 63. Measures Taken in Cases When a Transport Facility Could Not Arrive at the Customhouse of Destination**

If a transport facility, as a result of an accident or an act of God, could not arrive at the customhouse of destination, the unloading of goods and other items is permitted at another place. In this case the enterprise, the organization, and the citizen transporting goods and other items must take every measure to ensure their safety for customs registration.

The enterprise, the organization, and the citizen transporting goods and other items under customs control must send customhouse officials to the place of location of these goods and other items, or ensure the transportation of items to the place where a customhouse is located.

#### **Article 64. Nondelivery of Goods and Other Items to the Customhouse of Destination**

In case of issue or loss of goods and other items during their transportation among customhouses, if such issue or loss was not caused by an accident or an act of God, the enterprise, the organization, and the citizen engaged in transportation should pay customs duties and fees, which would be subject to payment during the transfer of these goods and other items through the USSR customs border with the observance of the established procedure of such transfer.

#### **Chapter IV. Storage of Goods and Other Items Under Customs Control**

##### **Article 65. Goods and Other Items Stored Under Customs Control**

Goods and other items transferred through the USSR customs border, prior to customs registration, can be stored by an enterprise, an organization, and a customhouse. An enterprise and an organization store such goods and other items with the permission of a customhouse and under its control.

##### **Article 66. Goods and Other Items Stored Only by a Customhouse**

The following goods and other items are subject to mandatory transfer to a customhouse for storage:

- 1) not passed during import into USSR customs territory as a result of the established prohibitions and restrictions on their import into the USSR, or transit through USSR territory, and not exported from the USSR on the day of their import;
- 2) on which customs duties and fees are imposed during import into USSR customs territory, in case such payments are not made—if deferred or installment payments are not granted;
- 3) in the case specified by point 4 of the fourth part of article 25 of this code.

Currency and valuables transferred to a customhouse for storage in cases specified by the first part of this article are deposited in USSR banks.

##### **Article 67. Period of Storage of Goods and Other Items**

Goods and other items can be stored under customs control during one year.

Goods and other items (with the exception of currency and valuables) indicated in article 66 of this code are stored by a customhouse until the amounts of customs payments that have not been made reach the value of these goods and other items.

##### **Article 68. Compensation for Expenditures on Storage**

Compensation for the expenditures of an enterprise and an organization on the storage of goods and other items

under customs control is made in accordance with the procedure provided for by the legislation of the USSR and republics and compensation for the expenditures of a customhouse, in accordance with the procedure established by this code.

##### **Article 69. Customs Control During Storage of Goods and Other Items by Enterprises and Organizations**

During customs control over goods and other items stored by an enterprise and an organization a customhouse has the right, in addition to the performance of other operations connected with such control, to take an inventory of goods and other items.

##### **Article 70. Operations With Goods and Other Items Performed During Storage by Enterprises and Organizations**

In addition to operations necessary to ensure the safety of goods and other items, enterprises and organizations storing them under customs control have the right—with the observance of the requirements for such control and during the storage period—to perform the following operations with goods and other items:

- 1) their preparation for sale and transportation (dividing batches, forming shipments, sorting, packaging, and repackaging);
- 2) mixing of goods (components) without lending the product obtained characteristics differing significantly from its initial components;
- 3) simple assembly operations.

A customhouse does not have the right to permit the performance of operations specified by points 1-3 of the first part of this article, if enterprises and organizations do not ensure conditions for permanent placement of officials of USSR customs bodies on their territory or premises for purposes of customs control over such goods and other items.

##### **Article 71. Issue of Goods and Other Items**

Goods and other items stored by an enterprise and an organization under customs control can be issued only with the permission of a customhouse. In case of issue of goods and other items without the permission of a customhouse, these enterprises and organizations should pay customs duties and fees, which would be subject to payment during the transfer of goods and other items with the observance of the established procedure.

Goods and other items stored both by an enterprise and an organization and by a customhouse can be also issued to the person to whom the right of ownership of these goods and other items, or of possession of them, was transferred during the storage period.

## Section VI

### PROCEDURE OF TRANSFER THROUGH THE USSR CUSTOMS BORDER OF ITEMS OF INTERNATIONAL AND FOREIGN ORGANIZATIONS, MISSIONS, AND PERSONS ENJOYING CUSTOMS PRIVILEGES ON USSR TERRITORY

#### Article 72. Customs Privileges for Diplomatic Missions of Foreign States

Diplomatic missions of foreign states on USSR territory, with the observance of the established procedure of transfer through the USSR customs border, can import into the USSR and export from the USSR items intended for the official use of missions with exemption from customs duties and fees, with the exception of fees for the storage and customs registration of items outside places of location of customhouses, or outside the work time established for a customhouse.

#### Article 73. Customs Privileges for Heads of Diplomatic Missions of Foreign States and Diplomatic Staff Members of Missions

The head of a diplomatic mission of a foreign state and diplomatic staff members of a mission, as well as their family members residing with them, can import into the USSR items intended for their personal use, including items for initially setting up households, and export from the USSR items intended for their personal use with the observance of the established procedure of transfer of items through the USSR customs border and with exemption from customs duties and fees, with the exception of fees for the storage and customs registration of items outside places of location of customhouses, or outside the work time established for a customhouse.

The personal luggage of the head of a diplomatic mission of a foreign state, diplomatic staff members of a mission, and their family members residing with them is exempt from examination, if there are no serious grounds for assuming that it contains items not intended for personal use, or items, the import or export of which is prohibited by USSR legislation, or is regulated by quarantine and other special rules. Such an examination should be made only in the presence of the persons mentioned in this article, or their authorized representatives.

#### Article 74. Customs Privileges for Administrative-Technical Staff Members of Diplomatic Missions of Foreign States

Administrative-technical staff members of a diplomatic mission of a foreign state and their family members residing with them, if these staff members and their family members do not live permanently in the USSR, can import into the USSR items intended for initially setting up households with exemption from customs duties and fees, with the exception of fees for the storage and customs registration of items outside places of location of customhouses, or outside the work time established for a customhouse.

Persons mentioned in the first part of this article import into the USSR and export from the USSR items in accordance with the procedure provided for by Articles 19 and 20 of this code.

#### Article 75. Extension of Customs Privileges Granted to Diplomatic Staff Members of Missions of Foreign States to Administrative-Technical and Service Staff Members

On the basis of a special agreement with a foreign state customs privileges granted by this code to diplomatic staff members of a mission of a foreign state can be extended to administrative-technical and service staff members of this mission, as well as to their family members not residing permanently in the USSR, on the basis of the principle of reciprocity with respect to each individual state.

#### Article 76. Granting of Customs Privileges to Consular Missions of Foreign States and Their Staff Members

Consular missions of foreign states, consular officials, including the head of a consular mission, and consular employees, as well as their family members, are granted customs privileges specified by this code for diplomatic missions of foreign states, or for the corresponding staff of diplomatic missions.

On the basis of a special agreement with a foreign state customs privileges granted by this code to corresponding staff members of a diplomatic mission of a foreign state can be extended to service staff members of a consular mission, as well as to their family members not residing permanently in the USSR, on the basis of the principle of reciprocity with respect to each individual state.

#### Article 77. Transfer of Diplomatic Mail and Consular Bags of Foreign States Through the USSR State Border

Diplomatic mail and consular bags of foreign states transferred through the USSR state border are not subject to opening or detention. If there are serious grounds for assuming that a consular bag contains items not indicated in the third part of this article, a customhouse has the right to demand that the bag be opened by authorized persons of the represented state in the presence of customhouse officials. In case of refusal to open a consular bag, the latter is returned to the place of departure.

All pieces constituting diplomatic mail and a consular bag should have visible external signs indicating their nature.

Diplomatic mail can contain only diplomatic documents and items intended for official use and a consular bag, only official correspondence and documents or items intended exclusively for official use.

**Article 78. Customs Privileges for Foreign Diplomatic and Consular Couriers**

Foreign diplomatic and consular couriers can import into the USSR and export from the USSR items intended for their personal use with exemption on the basis of reciprocity from customs examination and from customs duties and fees, with the exception of fees for the storage and customs registration of items outside the places of location of a customhouse, or outside the work time established for a customhouse.

**Article 79. Customs Privileges for Representatives and Members of Delegations of Foreign States**

Representatives of foreign states, members of parliamentary and government delegations, and—on the basis of reciprocity—members of delegations of foreign states, who come to the USSR to participate in intergovernmental negotiations and international conferences and meetings, or with other official assignments, are granted customs privileges specified by this code for diplomatic staff members of missions. The same privileges are granted to family members accompanying these persons.

Diplomatic staff members, consular officials of missions of foreign states, family members of such persons, and persons mentioned in the first part of this article, who cross USSR territory for the same purposes, are granted customs privileges specified by this code for diplomatic staff members of missions.

**Article 80. Customs Privileges for International Organizations, Missions of Foreign States Attached to Them, and Their Staff**

Customs privileges for international intergovernmental organizations and for missions of foreign states attached to them, as well as for the staff of these organizations and missions and for the family members of the staff, are determined by corresponding USSR international treaties.

Customs privileges can be granted to international non-governmental organizations and their staff by USSR legislative acts.

**Article 81. Customs Privileges for Other Organizations and Persons**

Customs privileges can be granted to joint enterprises with the participation of Soviet and foreign legal entities and citizens, to foreign enterprises, organizations, and their representative offices, and to foreign workers at these enterprises, organizations, and representative offices and their family members by USSR legislative acts.

**Section VII****SMUGGLING AND VIOLATIONS OF CUSTOMS RULES, PROCEEDINGS IN CASES OF SMUGGLING AND VIOLATIONS OF CUSTOMS RULES****Chapter I. Smuggling****Article 82. Smuggling**

The transfer of items through the USSR customs border apart or with concealment from customs control, which is carried out on a large-scale or by a group of persons, who organized themselves to engage in smuggling, as well as such transfer of narcotic drugs, strong-acting, toxic, poisoning, radioactive, and explosive substances, weapons, and ammunition (except for smooth-bore hunting weapons and ammunition for them), is smuggling and is punished in accordance with criminal legislation.

**Chapter II. Violations of Customs Rules and Responsibility for These Violations****Article 83. Responsibility of Persons Committing Violations of Customs Rules**

In this section by "persons" citizens (USSR citizens, foreign citizens, and stateless persons) and officials, as well as enterprises and organizations, are meant.

Persons committing violations of customs rules are subject to responsibility in accordance with this code and in the part not regulated by it, in accordance with the legislation on administrative offenses of the USSR and republics.

Citizens are subject to responsibility for violations of customs rules if at the time of commission of an offense they reached the age of 16.

Officials are subject to responsibility for violations of customs rules if their official duties include ensuring the fulfillment of the requirements established by this code.

Enterprises and organizations are subject to responsibility for violations of customs rules, with the exception of cases when the offense occurred as a result of an act of God, or illegitimate actions of officials or USSR customs bodies.

**Article 84. Refusal To Obey an Order or Demand by an Official of a USSR Customs Body, Insult to Such a Person, or Violence or Threat Against Him**

Refusal to obey a legal order or demand by an official of a USSR customs body during performance of his official duties, with the exception of cases specified by articles 85, 86, 88, 89, and 90 of this code,

entails the imposition of a fine on citizens amounting up to 50 rubles and on officials, up to 100 rubles.

An insult to an official of a USSR customs body during performance of his official duties, if this does not entail criminal responsibility.

entails the imposition of a fine on citizens amounting up to 100 rubles and on officials, up to 200 rubles.

A threat of infliction of light bodily injuries and blows, or commission of other violent actions against an official of a USSR customs body during the performance of his official duties.

entails the imposition of a fine on citizens and officials amounting up to 100 rubles, or correctional labor for a period of 1 to 2 months and withholding of 20 percent of the earnings and if, owing to the circumstances of the case in connection with the violator's personality, the application of these measures is considered insufficient, administrative detention for a period of up to 15 days.

#### **Article 85. Not Stopping a Transport Facility**

Not stopping a transport facility (including a transport facility for individual use), which crosses the USSR customs border, at the place of location of a USSR customs body on the USSR customs border

entails a warning, or the imposition of a fine on citizens amounting up to 50 rubles and on officials, up to 100 rubles.

#### **Article 86. Departure of a Transport Facility Without Permission**

The departure of a transport facility (including a transport facility for individual use) under customs control without the permission of a USSR customs body and, from points of passage on the USSR state border, also of frontier forces

entails a warning, or the imposition of a fine on citizens amounting up to 50 rubles and on officials, up to 100 rubles.

#### **Article 87. Mooring To a Vessel Under Customs Control**

Mooring vessels and other floating craft to a vessel under customs control without the permission of a USSR customs body

entails the imposition of a fine on citizens amounting up to 50 rubles and on officials, up to 100 rubles.

#### **Article 88. Preventing Access by an Official of a USSR Customs Body to Items Under Customs Control**

Preventing access by an official of a USSR customs body, during performance of customs control by him, to items under such control

entails a warning, or the imposition of a fine on citizens amounting up to 50 rubles and on officials, up to 100 rubles.

#### **Article 89. Nonpresentation of Documents Necessary for Customs Control to a USSR Customs Body**

Nonpresentation of documents for transport facilities necessary for customs control to a USSR customs body, irrespective of the presentation of a written declaration,

entails a warning, or the imposition of a fine on citizens amounting up to 100 rubles and on enterprises and organizations, from 100 to 300 rubles.

Nonpresentation of documents for goods indicated in the first part of this article to a USSR customs body, irrespective of the submission of a written declaration,

entails the imposition of a fine on enterprises and organizations ranging from 300 to 5,000 rubles.

Nonpresentation of documents for things, currency, and valuables necessary for customs control to a USSR customs body

entails a warning, or the imposition of a fine on citizens amounting up to 100 rubles.

#### **Article 90. Nondelivery of Items and Documents to a USSR Customs Body**

Nondelivery of items under customs control, which are transferred from one USSR customs body to another, as well as customs or other documents for these items accepted for presentation to a USSR customs body, to a USSR customs body on the date set

entails a warning, or the imposition of a fine on citizens amounting up to 100 rubles and on enterprises and organizations, from 10 to 100 percent of the value of nondelivered items, or items for which the indicated documents were not delivered, with or without confiscation of these items.

#### **Article 91. Damage to or Loss of Customs Safeguards**

Damage to or loss of seals, stamps, or other safeguards affixed by a USSR customs body

entails the imposition of a fine on citizens amounting up to 100 rubles and on enterprises and organizations, from 100 to 1,000 rubles.

#### **Article 92. Freight and Other Operations Performed Without the Permission of a USSR Customs Body**

The loading, unloading, reloading, repair of damage to packaging, unpacking, packing, and repacking of items under customs control, or a change in identification marks or labeling applied to these items or to their packaging without the permission of a USSR customs body.

entail a warning, or the imposition of a fine on citizens amounting up to 100 rubles and on enterprises and organizations, from 100 to 1,000 rubles.

**Article 93. Issue of Items Without Permission of a USSR Customs Body or Their Loss**

The issue without the permission of a USSR customs body or loss of items under customs control

entails the imposition of a fine on citizens amounting up to 100 rubles and on enterprises and organizations, from 50 to 100 percent of the value of such items.

**Article 94. Breach of Obligation for Back Import or Back Export**

Nonexport abroad of items imported into the USSR against an obligation for back export, or nonreturn to the USSR of items exported abroad against an obligation for back import, within the period established by these obligations

entails the imposition of a fine on citizens amounting up to 100 rubles with confiscation of these items and on enterprises and organizations, from 10 to 100 percent of the value of these items with their confiscation.

**Article 95. Transfer of Items Through the USSR Customs Border Apart From Customs Control**

The transfer of items through the USSR customs border apart from customs control, that is, the transfer of items through the USSR customs border outside the place of location of a USSR customs body, or outside the time for customs registration, in the absence of elements of smuggling, or preparatory actions for such a violation.

entails the imposition of a fine on citizens amounting up to 100 rubles with confiscation of items, which are direct objects of the offense, and on officials, up to 200 rubles with confiscation of the indicated items.

**Article 96. Transfer of Items Through the USSR Customs Border With Concealment From Customs Control**

The transfer of items through the USSR customs border with concealment from customs control, that is, with the use of hiding places and other methods hampering the detection of items, or by lending some items the appearance of other items, or with the presentation to a USSR customs body—as grounds for the transfer of items—of forged documents, illegally obtained documents, or documents containing false information, as well as documents which are the basis for the transfer of other items, in the absence of elements of crime, or preparatory actions for such a violation.

entails confiscation of items, which are direct objects of the offense, as well as items with especially made hiding places used for the transfer of items, which are direct objects of the offense, through the USSR customs border with concealment, or the imposition of a fine on citizens amounting up to 100 rubles with confiscation of the mentioned items and on enterprises and organizations, from 10 to 100 percent of the value of these items with or without their confiscation

**Article 97. Storage, Transportation, or Purchase of Items Imported Into the USSR Apart From Customs Control, or With Concealment From Such Control**

The storage, transportation, or purchase of items imported into the USSR apart from customs control, or with concealment from such control, as well as items with respect to which customs privileges in the imposition of customs duties are granted and which are used, without the permission of USSR customs bodies, for purposes other than those in connection with which such privileges were granted, in the absence of elements of crime.

entails the imposition of a fine on citizens amounting up to 100 rubles, on officials, up to 200 rubles, and on enterprises and organizations, from 10 to 100 percent of the value of items, which are direct objects of the offense.

**Article 98. Nondeclaration of Items or Their Declaration Not by Their Name**

Nondeclaration of items transferred through the USSR customs border, including those in transit through USSR territory, that is, nondeclaration, according to the established form, of accurate information on such items, as well as declaration of items not by their name.

entails the imposition of a fine on citizens amounting up to 100 rubles with or without confiscation of items, which are direct objects of the offense, and on enterprises and organizations, from 10 to 100 percent of the value of such items with or without confiscation of these items.

**Article 99. Use of Items, With Respect to Which Customs Privileges in the Imposition of Customs Duties Are Granted, for Other Purposes Without Permission of USSR Customs Bodies**

The use of items, with respect to which customs privileges in the imposition of customs duties are granted, for purposes other than those in connection with which such privileges were granted, without the permission of USSR customs bodies.

entails the imposition of a fine on citizens amounting up to 100 rubles and on enterprises and organizations, from 100 to 200 percent of the amount of customs duties not paid in connection with the granting of customs privileges.

**Article 100. Actions Entailing Deficiencies of Customs Payments**

Nonpayment of customs duties and fees during the established period, as well as other actions entailing deficiencies of customs payments.

entails the imposition of a fine on citizens amounting up to 100 rubles and on enterprises and organizations, from 100 to 300 percent of the amount of customs payments that have not been made.

### Chapter III. Investigation of Smuggling Cases

#### Article 101. Investigation of Smuggling Cases

USSR customs bodies are the bodies of investigation of smuggling cases.

Investigation of smuggling cases is conducted by USSR customs bodies in accordance with the legislation of the USSR and republics.

### Chapter IV. Controlled Deliveries of Narcotic Drugs and Psychotropic Substances

#### Article 102. Controlled Deliveries of Narcotic Drugs and Psychotropic Substances

For the purpose of stopping the international illicit traffic of narcotic drugs and psychotropic substances and uncovering persons participating in such traffic, USSR customs bodies in each specific case, in accordance with agreements with customs and other competent bodies of foreign states, or on the basis of USSR international treaties, use the "controlled delivery" method, that is, permit under their control the import into the USSR, export from the USSR, or transit through its territory of narcotic drugs and psychotropic substances included in the illegal traffic.

A decision on the use of the "controlled delivery" method is made by the USSR Customs Committee jointly with the USSR Committee for State Security.

In case a decision on the use of the "controlled delivery" method is made, criminal proceedings are not instituted against the person engaged in the illicit traffic of narcotic drugs and psychotropic substances and the USSR customs body immediately notifies the procurator of the decision made.

### Chapter V. Proceedings in Cases of Violation of Customs Rules

#### Article 103. Conduct of Proceedings in Cases of Violation of Customs Rules

Proceedings in cases of violation of customs rules are conducted in accordance with this code and, in the part not regulated by it, in accordance with the legislation on administrative offenses of the USSR and republics.

Proceedings in cases of violation of customs rules are conducted:

- in cases of violation specified by article 84 of this code, or violation committed by an enterprise and an organization—by officials of USSR customs bodies, as well as by a rayon (city) people's court, or a judge in administrative and final proceedings;
- in cases of violation committed by a citizen, except for the violation specified by article 84 of this code—by officials of USSR customs bodies.

#### Article 104. Report on Violations of Customs Rules

The appropriate official of a USSR customs body indicated in article 103 of this code prepares a report on each case of violation of customs rules according to the form established by the USSR Customs Committee.

The following are indicated in the report: date and place of its preparation; position, family name, first name, and patronymic of the official preparing the report; information on the person who committed a violation of customs rules, which is necessary for an examination of the case, if it is established; place and time of commission and essence of violation of customs rules; article of this code specifying the responsibility for this violation of customs rules; family names and addresses of witnesses, if they are available; explanation by the person who committed the violation of customs rules; information on items and documents confiscated on the basis of article 110 of this code; other information necessary for a resolution of the case.

The report is signed by the official preparing it, as well as by the person who committed a violation of customs rules, if it is established. If there are witnesses, the report can also be signed by these persons.

In case of refusal by the person who committed a violation of customs rules to sign the report, a record of this is made in the report. The person who committed a violation of customs rules has the right to submit explanations and remarks on the content of the report, as well as to state the motives for his refusal to sign it. Explanations, remarks, and motives for the refusal to sign the report stated in the person's own hand are attached to the report.

During the preparation of the report the person's rights are explained to him, about which a note is made in the report.

The report, as well as items and documents confiscated on the basis of article 110 of this code, are delivered to the USSR customs body, whose official conducts the proceedings in the case of violation of customs rules.

A copy of the report is handed to the person who committed a violation of customs rules against his signature, or is sent to him.

#### Article 105. Assignment for Proceedings in Cases of Violation of Customs Rules

The official of the USSR customs body in charge of proceedings in a case of violation of customs rules, or the chief of this body or his deputy, has the right to assign some aspects of the proceedings to an official of another USSR customs body.

The assignment should be fulfilled within a period of no more than 5 days from the day of its receipt.

**Article 106. Interrogation of Persons in Cases of Violation of Customs Rules**

The official of the USSR customs body in charge of proceedings in a case of violation of customs rules, as well as the body (official) examining such a case, has the right to interrogate persons on the merits of the case.

The interrogated persons should report everything they know about the circumstances relevant to the case of violation of customs rules.

A report on the interrogation of persons is prepared according to the form established by the USSR Customs Committee.

**Article 107. Administrative Detention**

For the purpose of stopping a violation of customs rules, preparing a report on such a violation when it is impossible to prepare it on the spot, ensuring a prompt and correct examination of the case, and executing the decision on it, administrative detention of the citizen who committed a violation for a period of up to three hours is permitted.

Administrative detention of the citizen who committed a violation of customs rules is carried out by officials of USSR customs bodies by order of the chief of a USSR customs body, or the person replacing him.

The period of administrative detention is counted from the moment the citizen, who committed a violation of customs rules, is brought to the official premises of a USSR customs body, or to other premises, where the proceedings necessary for purposes specified by the first part of this article will be possible, and the citizen in a state of intoxication, from the time he sobers up. With respect to the citizen who is on the indicated premises in connection with customs control, the period of administrative detention is counted from the time of completion of such control.

A report on administrative detention is prepared according to the form established by the USSR Customs Committee.

**Article 108. Demand for Documents Necessary for Examining a Case of Violation of Customs Rules**

The official of the USSR customs body in charge of proceedings in a case of violation of customs rules can demand documents necessary for an examination of the case.

The person, to whom the demand for the presentation of documents is addressed, must send them to the official of the USSR customs body demanding the documents no later than within a five-day period.

**Article 109. Performance of Customs Inspections**

Officials of USSR customs bodies, having sufficient grounds for assuming that items, which are direct objects of violation of customs rules, or items with especially

made hiding places used for the transfer of such items through the USSR customs border with concealment, as well as documents necessary for examining a case of violation of customs rules, are on the territory or premises of enterprises and organizations, or in transport facilities belonging to them, can perform a customs inspection of such territories, premises, or transport facilities.

A customs inspection is performed in the presence of officials of the enterprises and organizations indicated in the first part of this article.

Officials of USSR customs bodies have the right to invite specialists to participate in a customs inspection.

A report on the performance of a customs inspection is prepared according to the form established by the USSR Customs Committee.

**Article 110. Confiscation of Items and Documents**

Items, which are direct objects of violation of customs rules, items with especially made hiding places used for the transfer of such items through the USSR customs border with concealment, and documents necessary for examining a case of violation of customs rules are confiscated.

When a violation of customs rules is committed by a person who does not have a permanent place of residence or address in the USSR, confiscation of things, currency, and valuables in amounts necessary to ensure the exaction of a fine, or the value of items indicated in the third part of article 132 of this code, is permitted.

The confiscated items and documents should be enumerated in the report prepared in cases specified by this chapter, or in the inventory with an accurate indication of the quantity, measure, weight, and individual characteristics of these items and documents, as well as the value of items, which is attached to it.

**Article 111. Evaluation of Confiscated Items**

A USSR customs body makes an evaluation of the items confiscated in accordance with article 110 of this code on the basis of state retail prices in effect in the USSR and, in the absence of such prices, on the basis of a conclusion by experts.

A recalculation of foreign currency confiscated in accordance with article 110 of this code into Soviet currency is made by a USSR customs body according to the USSR State Bank rate applied for settlements in foreign economic operations in effect on the day the violation of customs rules is uncovered.

**Article 112. Presentation of Items and Documents for Identification**

By order of the official of the USSR customs body in charge of proceedings in a case of violation of customs

rules items and documents can be presented to the person who committed this violation, as well as to the witness, for identification.

The identifying person is first interrogated about the circumstances, under which he observed the items and documents mentioned in the first part of this article, and the characteristics according to which he can make the identification.

Items and documents are presented in a group of similar items and documents.

Presentation for identification is made in the presence of witnesses.

A report on the presentation of items and documents for identification is prepared according to the form established by the USSR Customs Committee.

#### **Article 113. Expert Examination**

When during proceedings in a case of violation of customs rules a need for special knowledge arises, an expert examination is ordered.

The decision on ordering an expert examination made by an official of the USSR customs body in charge of proceedings in a case of violation of customs rules, or by a rayon (city) people's court, or by a judge in administrative and final proceedings, who examines this case, is binding on the expert, to whom an expert examination is entrusted by the decision, or on the official of the enterprise and the organization, to which the decision on appointing an expert is sent.

#### **Article 114. Check on Individual Aspects of Enterprise and Organization Activity**

The chief of a USSR customs body, whose official conducts proceedings in a case of violation of customs rules committed by an enterprise or an organization, or his deputy, has the right to order a check on the activity of an enterprise or an organization connected with a violation of customs rules.

Check results are reported to an enterprise or an organization within 3 days from the day of its completion.

#### **Article 115. Inadmissibility of Disclosure of Materials in a Case of Violation of Customs Rules**

Materials in a case of violation of customs rules can be disclosed before its examination only with the permission of the official of the USSR customs body in charge of the proceedings in this case, or the chief of this body, or his deputy.

#### **Article 116. Discontinuance of Proceedings in a Case of Violation of Customs Rules Before Examination of Such a Case**

Proceedings in a case of violation of customs rules specified by article 84 of this code, or violation committed by an enterprise or an organization, are subject to

discontinuance until such a case is transferred for an examination to a rayon (city) people's court or to a judge in administrative and final proceedings, if in the course of preparation of the case for an examination the following are established:

- 1) absence of criminal events;
- 2) absence of crime in the violator's act;
- 3) fact of death of the citizen who committed a violation of customs rules.

The chief of a USSR customs body, or his deputy, or an authorized official of the USSR Customs Committee, makes a ruling on discontinuance of proceedings concerning a violation of customs rules in cases specified by the first part of this article, which states the merits of the case, the grounds for discontinuance of proceedings in such a case, and the decision on the return of confiscated items.

A copy of the ruling on discontinuance of proceedings within a 3-day period from the day it is made is handed or sent to the person, with respect to whom the proceedings were conducted, or to other interested persons in the case specified by point 3 of the first part of this article.

#### **Article 117. Completion of Preparation of a Case of Violation of Customs Rules for Examination**

The official of the USSR customs body in charge of proceedings in a case of violation of customs rules, on completion of the preparation of the case for examination, transfers materials to the chief of this body or to his deputy, and the official of the USSR Customs Committee, to the authorized official of this committee.

Materials in a case of violation of customs rules specified by article 84 of this code, or violation committed by an enterprise or an organization, according to the ruling of the chief of a USSR customs body or his deputy, or an authorized official of the USSR Customs Committee, are transferred to a rayon (city) people's court, or to a judge in administrative and final proceedings for examination.

#### **Article 118. The Body and Officials Competent To Examine a Case of Violation of Customs Rules**

A case of violation of customs rules committed by a citizen (except for the violation specified by article 84 of this code) is examined on behalf of the USSR Customs Committee by an authorized official of this committee and on behalf of other USSR customs bodies, by chiefs of these bodies or their deputies.

A case of violation of customs rules specified by article 84 of this code, or violation committed by an enterprise and an organization, is examined by a rayon (city) people's court, or a judge in administrative and final proceedings.

**Article 119. Place of Examination of a Case of Violation of Customs Rules**

A case of violation of customs rules is examined at the place of location of the USSR customs body, whose official conducted the proceedings.

**Article 120. Period of Examination of a Case of Violation of Customs Rules**

A case of violation of customs rules is examined within a 15-day period from the day the body or officials indicated in article 118 of this code receive the materials necessary for the resolution of the case.

**Article 121. Presence of the Person Against Whom Administrative Proceedings Are Instituted During Examination of a Case of Violation of Customs Rules**

A case of violation of customs rules is examined in the presence of the person against whom administrative proceedings are instituted.

In the absence of the person, against whom administrative proceedings are instituted, the case can be examined only when there are data on his prompt notification of the time and place of examination of this case, but an application for postponement of examination of the case is not received from him, or data on the fact that at the time of examination of the case the person is outside USSR borders, as well as when the person who commits a violation of customs rule is not ascertained, or when a violation of customs rules is committed during the shipment of items by international parcel post.

**Article 122. Period of Imposition of Administrative Penalties**

Administrative penalties in the form of a warning or a fine for a violation of customs rules can be imposed no later than 2 months from the day a violation of customs rules is committed and during a prolonged violation of customs rules, no later than two months from the day of its discovery.

In cases specified by article 124 of this code, if there are elements of violation of customs rules in the violator's acts, an administrative exaction in the form of a warning or a fine for a violation of customs rules can be imposed no later than 1 month from the day a decision on discontinuance of criminal proceedings is made.

Items, which are direct objects of violation of customs rules, and items with especially made hiding places used for the transfer of such items through the USSR customs border with concealment are confiscated irrespective of the time when a violation of customs rules is committed or uncovered.

**Article 123. Rulings of a USSR Customs Body**

Having examined a case of violation of customs rules, the official of a USSR customs body indicated in article 118 of this code makes one of the following rulings:

1) on the imposition of an administrative penalty;

2) on discontinuance of proceedings;

3) on institution of criminal proceedings and investigation of a smuggling case.

The ruling should contain the following: name of the USSR customs body, on behalf of which the ruling was made; date of examination of the case; information on the person with respect to whom the case was examined, if this person is ascertained; statement of circumstances established during an examination of the case; indication of the article of this code providing for responsibility for a committed violation of customs rules; decision made on the case; period and procedure of appealing the ruling.

A copy of the ruling is handed or sent to the person with respect to whom it is made within three days from the day it is made. The ruling is considered handed, even if the person to whom the ruling was sent was not at the place of residence, location, or temporary residence indicated by him, or if this place was indicated by him incorrectly.

In case when the person who committed a violation of customs rules is not ascertained, notification of interested organizations and persons on the decision made on the case is carried out in accordance with the procedure determined by the USSR Customs Code.

**Article 124. Examination of Materials Received From Preliminary Investigation Bodies**

In case of discontinuance of criminal proceedings the official of a USSR customs body indicated in article 118 of this code, depending on the grounds for refusal to institute or to discontinue criminal proceedings, makes one of the rulings specified by points 1 and 2 of the first part of article 123 of this code.

**Article 125. Relief From Administrative Responsibility**

If the committed violation of customs rules is of little significance, the official of a USSR customs body examining the case can relieve the violator of administrative responsibility and confine himself to oral remarks.

**Article 126. Appeal Against the Ruling of a USSR Customs Body**

The ruling of a USSR customs body on the imposition of an administrative penalty can be appealed by the person with respect to whom it was made within 10 days from the day the ruling was made.

An appeal against the ruling of a USSR customs body on the imposition of an administrative penalty can be filed with a USSR superior customs body, or with a rayon (city) people's court at the place of location of a corresponding USSR customs body. Within 10 days from the day a decision is made by a USSR superior customs body an appeal against this decision can be filed with the

rayon (city) people's court at the place of location of a corresponding USSR customs body. The court decision is final.

In case of omission of the period indicated in this article for valid reasons, on the application of the person with respect to whom the ruling was made, this period can be revived by a USSR superior customs body or a court respectively.

**Article 127. Examination by a USSR Superior Customs Body of a Ruling on the Imposition of an Administrative Penalty in Connection With an Appeal or Protest, as Well as by Way of Control**

A USSR superior customs body during an examination of a ruling on the imposition of an administrative penalty in connection with an appeal or protest by the procurator, as well as by way of control over the observance by officials of USSR customs bodies of legality during proceedings in cases of violation of customs rules, makes one of the following decisions:

- 1) leaves the ruling without change and the appeal or protest without satisfaction;
- 2) revokes the ruling and refers the case for a new examination;
- 3) revokes the ruling and dismisses the case;
- 4) changes the amount of penalty within the limits specified by this code, but so that the penalty is not increased.

An appeal against the ruling on the imposition of an administrative penalty is examined within 1 month from the day it is received by a USSR superior customs body and, if it does not require an additional study or check, urgently, but no later than 15 days from the day of its receipt. The period of examination of an appeal, as an exception, can be extended by the chief of a USSR superior customs body, or by his deputy, but by no more than 1 month, with a report on this to the person filing the appeal.

A protest by the procurator is subject to examination within 10 days from the day it is received by a USSR superior customs body. The results of examination of the protest are reported to the procurator.

**Article 128. Period of Return of Confiscated Items**

Items confiscated to ensure the exaction of a fine, or the value of q items indicated in the third part of article 132 of this code, can be received by the person from whom they were confiscated at a USSR customs body within 6 months from the day of payment of the fine.

Items groundlessly confiscated to ensure the exaction of a fine, or the value of items indicated in the third part of article 132 of this code, or as direct objects of violation of customs rule, or as smuggled items, or as items with especially made hiding places used for the transfer of such items through the USSR customs border with

concealment, can be received by the person from whom they were confiscated at a USSR customs body within 6 months from the day the appropriate notification is sent to him, or should be sent to this person at his request within the indicated period.

The USSR customs body, which groundlessly confiscated the items, incurs the expenditures connected with the receipt or shipment of items mentioned in the second part of this article.

**Article 129. Proposals on Eliminating the Causes and Conditions Promoting the Commission of Violations of Customs Rules**

The official of a USSR customs body examining a case of violation of customs rules, when establishing the causes and conditions promoting the commission of such a violation, makes proposals on the adoption of measures to eliminate these causes and conditions to appropriate enterprises and organizations.

Within 1 month from the day of receipt of proposals enterprises and organizations must report on the adopted measures to the official of a USSR customs body who made the proposals.

**Chapter VI. Execution of Rulings of a Court or a USSR Customs Body on Imposition of Administrative Penalty**

**Article 130. Referral of Rulings on Imposition of an Administrative Penalty for Execution**

A ruling on the imposition of an administrative penalty is referred by the USSR customs body that made the ruling for execution:

- 1) on the expiration of the period for an appeal against it;
- 2) on the expiration of the period for an appeal against the ruling in a court after a decision on the appeal is made by a USSR superior customs body;
- 3) on the day a court makes a decision on the appeal against the ruling of a USSR customs body.

The USSR customs body, which made a ruling on the imposition of an administrative penalty, refers it for execution independently, or by sending a notification on referral of the ruling for execution to a financial body or to USSR bank institutions, and in cases specified by articles 131 and 132 of this code, through a marshal of the court.

A ruling on the imposition of an administrative penalty, if it is not referred for execution within 3 months from the day it is made, is not subject to execution.

In case the execution of the ruling on the imposition of an administrative penalty is suspended in connection with the filing of an appeal within the established period, or lodging of a protest during the period specified by the third part of this article, the execution is suspended until the appeal or the protest is examined.

**Article 131. Execution of a Ruling of a Court or a USSR Customs Body in Connection with the Imposition of a Fine**

A fine should be paid by the person who committed a violation of customs rules no later than 15 days from the day the ruling is handed or sent to him and, in case of an appeal or protest against such a ruling, no later than 15 days from the day a decision to leave the appeal or protest without satisfaction is made.

A fine is paid by the person who committed a violation of customs rules to the USSR customs body which made a ruling in the case, or to USSR bank institutions, both in Soviet and foreign currency purchased by USSR banks at the rate of the USSR State Bank applied for settlements in foreign economic operations and in effect on the day of payment of the fine.

If a fine is not paid within the established period, it is exacted from the value of items confiscated to ensure this exaction, or in a compulsory manner from the wages, or other earnings, pension, grant, and funds of the person who committed a violation of customs rules. If the citizen does not work, or the exaction of a fine from the wages, pension, grant, or funds of the person who committed a violation of customs rules is impossible for other reasons, a fine is exacted on the basis of the ruling of a rayon (city) people's court, or a judge in administrative and final proceedings, or a USSR customs body by the marshal of a rayon (city) people's court at the place of location or residence (temporary residence in the USSR) of such a person through a levy of execution upon his property, as well as upon his share in common property.

The ruling of a rayon (city) people's court, or a judge in administrative and final proceedings, or a USSR customs body, according to which the fine was exacted fully, is returned with a note about the execution to the court (judge) or, respectively, to the USSR customs body that made the ruling.

A fine is entered in the Union budget.

The person who committed a violation of customs rules, despite the exaction of a fine, must pay customs duties and make other customs payments in cases specified by this code and by the USSR Code on Customs Tariff.

**Article 132. Execution of a Ruling of a Judge or a USSR Customs Body in Connection With Confiscation**

Items, with respect to which a ruling on confiscation is made, on the expiration of the period for an appeal against the ruling of a USSR customs body, are confiscated. Confiscation is carried out irrespective of whether they are the property of the person who committed a violation of customs rules, as well as irrespective of whether this person was ascertained or not.

If items indicated in this article are not confiscated by a USSR customs body, the person who committed a violation of customs rules should transfer these items to

a USSR customs body no later than 15 days from the day the ruling is handed to him and, in case of an appeal or a protest against such a ruling, no later than 15 days from the day a decision to leave the appeal or protest without satisfaction is made. When this demand is not fulfilled within the indicated period, the execution of a ruling of a USSR customs body in connection with confiscation is carried out by the marshal of a rayon (city) people's court at the violator's place of residence or location, or temporary residence in the USSR. The ruling on confiscation with a note on execution is returned to the USSR customs body that made the ruling.

If it is impossible to confiscate items, which are direct objects of violation of customs rules, as well as items with especially made hiding places used for the transfer of such items through the USSR customs border with concealment, the value of the indicated items is exacted from persons who committed a violation of customs rules in accordance with the procedure specified by article 131 of this code.

Expenditures of a USSR customs body on the storage of items, with respect to which a ruling on confiscation is made, should be compensated for by the person who committed a violation of customs rules in accordance with the procedure specified by article 131 of this code.

**Section VIII****DISPOSAL OF GOODS AND OTHER ARTICLES****Article 133. Procedure of Sale of Goods and Other Items Not Claimed by the Owner**

Goods and other items stored under customs control and not claimed by the owner before the expiration of the storage period specified by articles 67 and 128 of this code are subject to sale in accordance with this code.

The sums obtained from the sale of these items or their disposal in accordance with article 136 of this code (with the exception of those indicated in article 66 of this code), minus the expenditures on the storage of goods and other items and on their sale or disposal, as well as on sending appropriate notices to the owner, are paid to the owner.

The sums obtained from the sale or disposal of goods and other items indicated in article 66 of this code are not paid to the owner and are entered in the Union budget.

Two weeks before there are grounds for the sale or disposal of such goods and other items a customhouse should notify their owner of this.

**Article 134. State Appropriation of Soviet Currency and USSR State Bonds**

Soviet currency imported into USSR customs territory without grounds for its import, as well as USSR state bonds and other securities imported into this territory,

the export of which from the USSR is prohibited, are appropriated by the state without compensation.

#### Article 135. Customs Auctions

Goods and other items mentioned in articles 132 and 133 of this code, as well as smuggled items and items with especially made hiding places used for smuggling, are sold at customs auctions, unless otherwise specified by USSR legislation. Customs auctions are conducted in accordance with the procedure established by the USSR Customs Committee.

The sale of goods and other items at customs auctions is made at auction prices, which cannot be lower than state retail prices with due regard for the degree of preservation of such items, and in case of absence of state retail prices, not lower than commission trade prices.

For participation in customs auctions a charge in an amount established by the USSR Customs Committee in coordination with the USSR Ministry of Finance is imposed on enterprises, organizations, and citizens.

Goods and other items sold at customs auctions and participation in such auctions are paid for both in Soviet and foreign currency purchased by USSR banks.

The fee for participation in customs auctions, minus the expenditures on conducting them, is entered in the Union budget.

Officials of USSR customs bodies, as well as members of their families, cannot themselves or through a middleman purchase goods and other items at customs auctions.

#### Article 136. Procedure of Disposal of Goods and Other Items Not Sold or not Subject to Sale at Customs Auctions

The procedure of disposal of goods and other items not sold or not subject to sale at customs auctions is determined by USSR legislative acts.

#### Article 137. Payment of Sums Obtained From the Sale or Disposal of Confiscated Items

Sums obtained from the sale of items, with respect to which a USSR customs body, or a court, or a judge in administrative and final proceedings made a decision on confiscation (including smuggled items and items with especially made hiding places used for smuggling), as well as sums obtained from the disposal of such items in accordance with article 136 of this code, are entered in the Union budget.

### Section IX

#### USSR INTERNATIONAL TREATIES

#### Article 138. USSR International Treaties

If a USSR international treaty establishes rules other than those contained in this code and in other USSR

legislative acts on customs practice, the rules of the international treaty are applied.

[signed] M. Gorbachev, President of the Union of Soviet Socialist Republics, Moscow, Kremlin, 26 March 1991

#### Addendum to Customs Code

914.10654B Moscow IZVESTIYA in Russian 19 Apr 91  
Union Edition p 6

[Addendum to the USSR Customs Code]

[Text]

#### DESCRIPTION

of the Flag of USSR Customs Bodies and of Sea-going and River Vessels at Their Disposal

The flag of USSR customs bodies and of sea-going and river vessels at their disposal represents the USSR State Flag. In the right lower corner, at a distance of one eighth of the lower edge and one sixth of the outer edge of the flag, it has the emblem of USSR customs bodies, which measures one-third of the flag width.

The emblem of USSR customs bodies represents a circle with a contour of USSR territory, the inscription "USSR" inside this contour, Mercury's staff, the letter "T" in the form of an arch, and the inscription "Customs service" depicted on its field.

#### DESCRIPTION

of the Identification Mark of Motor Transport Facilities and Aircraft at the Disposal of USSR Customs Bodies

The identification mark of motor transport facilities and aircraft at the disposal of USSR customs bodies represents the emblem of USSR customs bodies.

#### Decree Enacting Customs Code as of 1 July

914.10654C Moscow IZVESTIYA in Russian  
19 April 91 Union Edition p 6

[Decree of the USSR Supreme Soviet on Enacting the USSR Customs Code]

[Text] The USSR Supreme Soviet decrees

1. To enact the USSR Customs Code as of 1 July 1991
2. To form the USSR Customs Committee as the central USSR customs body.

To recommend that the USSR President approve the statute on the USSR Customs Committee

3. In connection with entrusting USSR customs bodies with the collection of the export and import tax, to extend to these bodies the rights, duties, and responsibility of state tax inspectorates specified by USSR Law on Rights, Duties, and Responsibility of Tax Inspectorates with respect to the export and import tax.

4. Until the legislation of the USSR and republics is brought into conformity with the USSR Customs Code, the existing legislative acts of the USSR and republics are applied, inasmuch as they do not contradict this code. At the same time, USSR Government decisions, issued before the enactment of the USSR Customs Code, on matters which, according to the code, can be regulated only by legislative acts, are in effect until the corresponding legislative acts are adopted.

5. To consider the following invalid from the moment of enforcement of the USSR Customs Code:

—Ukase dated 5 May 1964 of the Presidium of the USSR Supreme Soviet: "On Confirmation of the USSR Customs Code" (VEDOMOSTI VERKHOVNOGO SOVETA SSSR, 1964, No. 20, article 242);

—the second part of article 1 and article 2 of the Decree dated 5 May 1964 of the Presidium of the USSR Supreme Soviet: "On the Procedure of Application of Some Provisions of the USSR Customs Code";

—USSR Law dated 15 July 1964: "On Confirmation of the Ukase of the Presidium of the USSR Supreme Soviet: 'On Confirmation of the USSR Customs Code'" (VEDOMOSTI VERKHOVNOGO SOVETA SSSR, 1964, No. 29, article 349);

—Ukase dated 30 July 1971 of the Presidium of the USSR Supreme Soviet: "On Increasing Administrative Responsibility for the Smuggling of Currency or Currency Valuables Committed by Passengers Crossing the USSR State Border" (VEDOMOSTI VERKHOVNOGO SOVETA SSSR, 1971, No. 31, article 321);

—USSR Law dated 26 November 1971: "On Confirmation of Ukases of the Presidium of the USSR Supreme Soviet Introducing Some Changes in and Supplements to Existing USSR Legislation" (VEDOMOSTI VERKHOVNOGO SOVETA SSSR, 1971, No. 48, article 471) in connection with the confirmation of the Ukase dated 30 July 1971 of the Presidium of the USSR Supreme Soviet: "On Increasing Administrative Responsibility for Smuggling Currency or Currency Valuables by Passengers Crossing the USSR State Border";

—Ukase dated 22 February 1978 of the Presidium of the USSR Supreme Soviet: "On Making Changes in the USSR Customs Code" (VEDOMOSTI VERKHOVNOGO SOVETA SSSR, 1978, No. 9, article 126);

—USSR Law dated 6 July 1978: "On Confirmation of Ukases of the Presidium of the USSR Supreme Soviet on Making Changes in Existing USSR Legislative Acts" (VEDOMOSTI VERKHOVNOGO SOVETA SSSR, 1978, No. 28, article 442) in connection with the confirmation of the Ukase dated 22 February 1978 of

the Presidium of the USSR Supreme Soviet: "On Making Changes in the USSR Customs Code";

—Ukase dated 17 May 1982 of the Presidium of the USSR Supreme Soviet: "On Introducing Changes in and Supplements to the USSR Customs Code" (VEDOMOSTI VERKHOVNOGO SOVETA SSSR, 1982, No. 21, article 357);

—USSR Law dated 24 November 1982: "On Confirmation of Ukases of the Presidium of the USSR Supreme Soviet on Introducing Changes in and Supplements to Some USSR Legislative Acts" (VEDOMOSTI VERKHOVNOGO SOVETA SSSR, 1982, No. 48, article 896) in connection with the confirmation of the Ukase dated 17 May 1982 of the Presidium of the USSR Supreme Soviet "On Introducing Changes in and Supplements to the USSR Customs Code";

—Ukase dated 21 January 1987 of the Presidium of the USSR Supreme Soviet: "On Application of Some Articles of the USSR Customs Code and on Annulment of the Statute on the People's Commissariat of USSR Foreign Trade" (VEDOMOSTI VERKHOVNOGO SOVETA SSSR, 1987, No. 4, article 60);

—USSR Law dated 30 June 1987: "On Confirmation of Ukases of the Presidium of the USSR Supreme Soviet on Introducing Changes in and Supplements to Some USSR Legislative Acts" (VEDOMOSTI VERKHOVNOGO SOVETA SSSR, 1987, No. 26, article 390) in connection with the confirmation of the Ukase dated 21 January 1987 of the Presidium of the USSR Supreme Soviet: "On Application of Some Articles of the USSR Customs Code and On Annulment of the Statute on the People's Commissariat of USSR Foreign Trade."

6. The USSR Cabinet of Ministers before 1 July 1991 must:

—adopt decisions ensuring the realization of the USSR Customs Code;

—submit to the USSR Supreme Soviet proposals on bringing USSR legislative acts into conformity with the USSR Customs Code;

—bring USSR Government decisions into conformity with the USSR Customs Code and ensure a revision and revocation by USSR ministries, state committees, and departments of their normative acts, including instructions, contradicting the code.

7. To recommend that supreme soviets of republics bring the legislation of republics into conformity with the USSR Customs Code.

*[signed] A. Lukyanov, Chairman of the USSR Supreme Soviet, Moscow, Kremlin, 26 March 1991*

**USSR Law on Customs Tariffs Published**

91440657A Moscow *IZVESTIYA* in Russian 20 Apr 91  
Union Edition p 3

[Text of USSR Law "On the Customs Tariff" signed in Moscow on 26 Mar 1991 by USSR President Gorbachev]

[Text]

**Law of the Union of Soviet Socialist Republics: On the Customs Tariff**

**Part I: General Provisions**

**Article 1. Purposes and sphere of application of the Law**

The present law establishes procedures for formulation and the application of the customs tariff, which represents a system of customs duties applied to goods and other articles at the time of import into the customs territory of the USSR and export beyond the boundaries of this territory, as well as of rules for imposition of customs duty on these goods and articles.

The sphere of action of the present law is the unified customs territory of the USSR.

**Article 2. The USSR Customs Tariff**

The USSR Customs Tariff is a systematized code of rates of customs duties, which are imposed on goods and other articles imported into the customs territory of the USSR and exported beyond the boundaries of this territory.

The USSR customs tariff is constructed in accordance with internationally recognized norms and principles in customs matters and is based on the Harmonized System for Description and Coding of Commodities.

The USSR Customs Tariff is approved by the President of the USSR.

**Article 3. Imposition of customs duties on goods and other articles crossing the customs border of the USSR.**

Goods and other articles imported into the customs territory of the USSR and exported beyond the boundaries of this territory are subject to the imposition of customs duties unless otherwise stipulated by the present law.

**Article 4. The Customs Tariff Council**

The Customs Tariff Council is charged with:

—development of proposals concerning the fundamental directions of USSR customs tariff policy, including proposals concerning the establishment, removal, or change of customs duties, the granting of customs privileges and preferences, and also concerning changes to the nomenclature of the USSR Customs Tariff;—examination of draft USSR legislative acts and USSR international agreements, in particular concerning customs tariff regulation;

—development of measures for protection of the all-union market when importing goods into the customs territory of the USSR and exporting from this territory;

—other functions envisaged by the present law and acts of the USSR President.

The Customs Tariff Council shall include representatives of the republics, and also representatives of all-union administrative organs appointed by the President of the USSR, the number of whom must not be greater than half the number of representatives of the republics.

Representatives of sectors of the Soviet economy and of public associations, the interests of which are affected by proposals under discussion concerning the customs tariff policy of the USSR, have the right to participate in sessions of the Customs Tariff Council.

Decisions of the Customs Tariff Council are passed with the general agreement of the persons comprising the council and present at its meeting. In the event agreement is not reached within a period of four months, a decision is passed by a two-thirds majority vote of such persons.

The functions of a working apparatus for the Customs Tariff Council are performed by the USSR Customs Committee.

Regulations for the Customs Tariff Council shall be approved by the President of the USSR.

**Part II: Customs Duties, Their Types**

**Article 5. Types and rates of customs duties**

The following types of customs duties are applied in the USSR:

—ad valorem, calculated as a percentage of the customs value of dutiable goods and other articles;

—specific, calculated in an established amount per unit of dutiable goods and other articles;

—combined, combining both these types of customs taxation.

The establishment, removal, and change of customs duties, including for objects of personal use, are accomplished in accordance with the present law following procedures established by the President of the USSR.

**Article 6. Import customs duties**

Import customs duties are differentiated:

—the minimum import duty rates envisaged by the USSR Customs Tariff are applied to goods and other articles originating in countries, or their unions, that enjoy most-favored-nation status within the USSR;

—the maximum import duty rates envisaged by the USSR Customs Tariff are applied to remaining goods and other articles.

#### **Article 7. Export customs duties**

Export customs duties are calculated for goods and other articles based on rates stipulated by the USSR Customs Tariff.

#### **Article 8. Seasonal customs duties**

For certain goods and other articles, seasonal import and export duties may be established for a period of not more than four months from the moment of their establishment.

#### **Article 9. Special types of customs duties**

In exceptional circumstances, upon the importation of goods into the customs territory of the USSR and the export of these goods bound the boundaries of this territory, the following may be applied:

- special customs duties;
- antidumping duties;
- compensatory duties.

#### **Article 10. Special customs duties**

Special customs duties are applied:

- in the capacity of a protective measure, if goods are being imported into the customs territory of the USSR in such quantities or under such conditions that cause or threaten to cause harm to Soviet producers of similar or directly competing goods;
- as a preventive measure vis-a-vis participants in intra-economic relations who are violating the interests of the USSR and the republics in this area, and also as a measure to put a stop to unscrupulous competition in cases defined by the laws of the USSR;
- as a measure in response to discriminatory actions against the USSR by individual countries and unions of these.

The rates of special duties are established in each individual case.

#### **Article 11. Antidumping duties**

Antidumping duties are imposed in cases:

- of importation into the customs territory of the USSR of goods at prices substantially lower than their competitive value within the country of export at the moment of this export, if such import causes or threatens to cause harm to Soviet producers of similar or directly competing goods or hinders organization or expansion of the production of similar goods within the USSR;

—of export beyond the boundaries of USSR customs territory of goods at a price substantially lower than the prices of other exporters of similar or directly competing goods at the moment of this export, if such export causes or threatens to cause harm to the interests of the USSR and the republics.

The rates of antidumping duties may not exceed the difference between the competitive wholesale price of the subject of dumping in the country of export at the moment of this export and its import price into the customs territory of the USSR or the price of the subject of dumping from the USSR and the average price of Soviet exports of similar or directly competing goods in that same period of time.

#### **Article 12. Compensatory duties**

Compensatory duties are imposed in cases:

—of importation into the customs territory of the USSR of goods, the production or export of which has been directly or indirectly subsidized, if such importation causes or threatens to cause harm to Soviet producers of similar or directly competing goods or hinders organization and expansion of production of similar goods within the USSR;

—export beyond the boundaries of the customs territory of the USSR of goods, for the production of which subsidies have been directly or indirectly used, if such export causes or threatens to cause harm to the interests of the USSR and the republics.

Rates of compensatory subsidies may not exceed the declared amount of the subsidies.

#### **Article 13. Procedures for imposition of special, antidumping, and compensatory duties**

Imposition of special, antidumping, and compensatory duties is preceded by an investigation conducted by the Customs Tariff Council.

Special, antidumping, and compensatory duties are established on the basis of the results of this investigation, according to the principles set forth in articles 10, 11, and 12 of the present law, respectively.

An investigation is conducted at the application of Soviet or foreign interested state organs, enterprises, organizations, and also on the initiative of the Customs Tariff Council. All decisions in the course of the investigation must be based on quantitatively representative data.

#### **Article 14. Customs value**

Calculation of customs duties for goods and other articles subject to customs taxation is carried out on the basis of their customs value, that is, of the price actually

paid or subject to payment for them at the moment of crossing the USSR customs border. When determining the customs value, included within it are the price of the commodity, indicated in bill of invoice, and also the following actual expenses, if they are not included in the invoice bill:

- for transportation, loading, unloading, reloading and insurance to the point of crossing the USSR customs border;
- commissions and brokers' fees;
- payment for utilization of objects of intellectual property, which relates to the given goods and other articles and which the importer (exporter) must pay directly or indirectly as a condition for their import (export).

The customs value is declared upon the movement of goods and other articles subject to taxation across the customs border of the USSR.

When there is a clear lack of agreement between the declared customs value of goods and other articles of value, determined in accordance with the provisions of the present article, or in the face of an impossibility of verifying its calculation, USSR customs organs shall determine the customs value subsequently on the basis of the price for identical goods and other articles, prices for similar goods and other articles, or the calculated [raschetnyj] value determined by procedures envisaged by the USSR Cabinet of Ministers.

#### **Article 15. Calculation and payment of customs duties**

Customs duty is charged by the customs organs of the USSR in accordance with provisions of the present law and the rates of the USSR Customs Tariff effective on the day of submission of a customs declaration, and is paid either in Soviet currency or in foreign currency, purchased by USSR banks.

Customs duty is deposited in the all-union budget.

When determining the customs value and paying customs duty, foreign currency is converted into Soviet currency on the basis of the USSR State Bank exchange rate applied in accounts for foreign economic operations and effective on the day of presentation of a customs declaration.

Customs duty is paid to USSR customs organs and, with regard to goods and other articles sent in international postal channels, to communications enterprises, not later than thirty days from the day a demand for this is presented. Deferred and installment payment of customs duty are granted by the USSR Customs Committee.

#### **Article 16. Determination of the country of origin of commodities**

The country of origin of commodities is considered to be the country where the goods were produced in their

entirety or were subjected to sufficient processing or treatment.

The following commodities are considered fully produced within a given country:

- a) natural resources extracted within its territory or in an economic zone;
- b) plant products grown in its soil;
- c) livestock raised within it;
- d) products obtained within it from livestock;
- e) hunting, fishing, and ocean fishing products produced within it;
- f) ocean fishing products caught or produced in international waters by vessels of the given country, and also by vessels leased (chartered) by it;
- g) secondary raw material and byproducts that are a result of production and other operations carried out within a given country;
- h) goods produced within a given country exclusively from products cited in points "a" through "g" of the present article.

The processing or treatment of goods within a given country are considered sufficient, if:

- the declared commodities are classified in a tariff position that is different than materials or articles originating in third countries that have been used for their manufacture;
- or, the value of the declared goods exceeds to an established amount the value of materials or articles originating in third countries that are used for their manufacture;
- or, if technological operations from an established list have been carried out on materials or articles originating in third countries that have been utilized for manufacture of the goods being declared.

The following technological operations cannot be recognized as being sufficient processing of goods:

- for preservation of goods during the time they are stored or transported;
- preparation of goods for sale and transportation (splitting up into consignments, putting together shipments, sorting and repacking);
- simple assembly operations;
- combination of commodities (components) without giving to the resulting output characteristics that fundamentally distinguish it from the initial components.

Criteria of the sufficiency of processing or treating goods are applied following procedures stipulated by the USSR Cabinet of Ministers.

**Part III: Relief from Payment of Customs Duty, Tariff Privileges and Preferences****Article 17. Relief from payment of customs duty**

The following are relieved from payment of customs duty:

a) means of transportation used for regular international shipments of freight, baggage, and passengers, and also material and technical supply items and equipment, fuel, food, and other property necessary for their normal operation while enroute and at intermediate stopping points, or acquired abroad in order to rectify accidents (breakdowns) involving the given transportation facilities;

b) material and technical supply items and equipment, fuel, raw material for industrial processing, food products and other property, exported beyond the boundaries of USSR customs territory to support the production activity of Soviet vessels and vessels leased (chartered) by Soviet enterprises and organizations, which are engaged in ocean fishing, and also the products of their fishing that are imported into the customs territory of the USSR;

c) Soviet and foreign currency, securities;

d) goods and other articles subject to conversion to state property in circumstances stipulated by the laws of the Soviet Union;

e) goods and other articles that, as a consequence of damage before being allowed to pass the USSR customs border, have been rendered unsuitable for utilization as manufactured articles or materials;

f) goods and articles imported into the USSR for the official and personal use or exported abroad by organizations and persons who, in accordance with the international agreements of the USSR and the laws of the Soviet Union, enjoy the right of duty-free import into the USSR and duty-free export from the USSR of such items;

g) goods and other articles originating in the customs territory of the USSR and imported back into this territory without reworking or processing, and also goods and other items of foreign origin, exported back beyond the boundaries of the customs territory of the USSR without treatment or processing;

h) goods and other articles imported back into the customs territory of the USSR, which originate from the territory of another country than this, on which duty was paid when they were first imported into the customs territory of the USSR, and which have been exported temporarily beyond its limits; goods and other articles imported back beyond the boundaries of the USSR customs territory, originating from this territory, on which duty was paid upon initial export beyond the boundaries of USSR customs territory, and imported into this territory temporarily;

i) other goods and other articles defined by the legal acts of the Soviet Union.

**Article 18. Reduction in the level of customs taxation**

A reduction is permitted in the rates of customs duties when importing into the customs territory of the USSR and exporting beyond the boundaries of this territory goods and other articles:

—that have been repaired and have earlier been imported into the customs territory of the USSR or exported beyond the boundaries of this territory;

—that have been damaged prior to passing the USSR customs border but that are suitable for use in the capacity of manufactured articles or materials;

—in other cases determined by legal acts of the Soviet Union.

**Article 19. Imposition of customs duty when crossing the borders of free customs zones**

Goods are relieved from the payment of customs duty or are taxed at reduced rates that:

—are imported into free customs zones within the territory of the USSR for final consumption within these zones;

—are exported from free customs zones for consumption beyond the boundaries of the customs territory of the USSR and originate from these zones;

—are exported from free customs zones to the customs territory of the USSR and originate from these zones;

—are exported through free customs zones beyond the boundaries of the USSR customs territory and originate from this territory.

The extent of privileges envisaged by the present article and procedures for granting them are determined by the legal acts of the Soviet Union.

**Article 20. Tariff preferences**

The establishment of preferences with regard to the rates of the USSR Customs Tariff in the form of exemption from imposition of customs duty, reduction in rates of duty, or establishment of quotas for preferential import is permitted with regard to goods and other articles:

—that originate from states which together with the USSR form a customs union of free trade zone or are conducting preparations for the creation of such a union (zone);

—that originate from developing states utilizing the General System of Preferences;

—that are circulated within border trade.

### Article 21. Conditional duty-free import and export

Goods and other articles imported into the customs territory of the USSR temporarily and intended for return export beyond its limits within an established time in an unchanged state or repaired form, and also goods and other articles exported beyond the boundaries of the customs territory of the USSR temporarily and intended for return import into this territory within an established time in an unchanged state, are permitted to cross the customs border of the USSR without payment of customs duty. The time periods of conditional duty-free import and export are defined by the USSR Customs Code.

### Article 22. Return of customs duty

Customs duty paid for goods imported into the customs territory of the USSR for assembly, installation, processing, or treatment, with subsequent return export within the course of one year, may be returned in its entirety or in part to the owner of the goods, upon presentation of certification of their utilization for the purposes indicated in the present article, when the goods are exported beyond the boundaries of this territory.

### Article 23. Return of excess customs duty collected and recovery of insufficient duty received.

Amounts of excess customs duty collected are subject to return to the owner of the goods and other articles upon his demand within the course of one year from the moment of the customs transaction.

Customs duty not paid on time, for which deferred and installment payments were granted, and, equally, not paid as a result of other actions entailing its collection in insufficient amount, is recovered upon the instructions of USSR customs organs without procedures of appeal.

Customs duty that is not paid on a timely basis is recovered for the budget during the entire time of indebtedness with the addition of a fine equal to 0.2 percent of the amount of insufficient payment for each day overdue, including the day of payment.

## Part IV: Concluding Provisions

### Article 24. International agreements of the USSR

If other rules than those contained in the present law and other legal acts of the Soviet Union concerning the customs tariff have been established by an international agreement of the USSR, then the rules of the international agreement are applied.

*[Signed] M. Gorbachev, President, USSR, Moscow, 26 March 1991*

### Decree Enacting Law on Customs Tariff

914.40657B Moscow *IZVESTIYA* in Russian 20 Apr 91  
Union Edition p 3

[Text of Decree signed in Moscow on 26 Mar 91 by USSR Supreme Soviet Chairman A. Lukyanov]

[Text]

### Decree of the USSR Supreme Soviet: On Enactment of the USSR Law: "On the Customs Tariff"

The Supreme Soviet of the USSR resolves:

1. To enact the USSR Law: "On the Customs Tariff" from 1 June 1991;
2. Until the legislation of the Union of Soviet Socialist Republics is brought into compliance with the USSR Law: "On the Customs Tariff," existing legislative acts of the Union of Soviet Socialist Republics shall be applied, insofar as they do not contradict this law;
3. To charge the USSR Cabinet of Ministers before 1 June 1991:
  - to approve decisions ensuring implementation of the USSR Law: "On the Customs Tariff";
  - to bring the decisions of the USSR government into compliance with the USSR Law: "On the Customs Tariff" and to ensure review and change by the ministries, state committees, and departments of the USSR of their normative acts, including instructions, that contradict the indicated law.

*[Signed] A. Lukyanov, Chairman, USSR Supreme Soviet, Moscow, 26 March 1991*

### Customs Official on Need for Tariffs Law

914.406724 Moscow *IZVESTIYA* in Russian 24 Apr 91  
Union Edition p 8

[Interview with L.A. Lozbenko, first deputy chief of the USSR Main Administration of State Customs Control, by I. Andreyev: "The Customs Service Is Being Given 'the Go-Ahead'"]

[Text] Several days ago, *IZVESTIYA* published two extensive documents adopted by the USSR Supreme Soviet and signed by the president of the country: the USSR Customs Code and the USSR Law on Customs Tariffs. The editorial office asked L. Lozbenko, first deputy chief of the USSR Main Administration of State Customs Control, to comment on these acts.

[Andreyev] Leonid Arkadyevich, why did the parliament of the country find the consideration and adoption of these particular draft laws to be a priority task?

[Lozbenko] The answer is simple. The stream of goods crossing the border, going "there" and "from there," has already increased at present, while we are merely approaching a market economy. Customs checkpoints

will become insurmountable obstacles, barriers rather than gates on the border unless they are prepared to let through this entire wave in a civilized, expeditious, and precise manner.

[Andreyev] What do the new laws give you in this sense?

[Lozbenko] A legislative, legal foundation for our operations. Look at what the case was previously, as recently as several years ago. Only the Ministry of Foreign Trade operated in the foreign market on behalf of the entire national economy of this enormous country. Being in essence a main administration of this ministry, we stamped export and import documents. We collected a kind of customs proceeds which went to the treasury—the difference between import prices for goods in the world market and domestic wholesale prices, that is, for example, between cents for a pair of pantyhose "there" and many rubles "here."

Along with foreign-trade documents, we followed almost 700 ministerial and departmental instructions, as well as our own instructions. That is to say, we operated on the basis of codes, many of which nobody but us ever saw, rather than laws. On top of everything, there were additions to orders which set forth who was exempt from customs inspections. There was no dearth of just phone calls with requests, and even demands, "not to inspect such and such..."

However, absolute arbitrariness in the export and import of goods associated with the decentralization of foreign economic operations is, perhaps, the main reason why a new law was urgently needed. It is not only that the governments of the country and the republics need to know exactly who exports what. We are beginning to pose a threat to the international economic community due to unfair competition by our entrepreneurs and sales at understated, price-dumping prices. We are beginning to bring chaos to long-known and well-established markets.

[Andreyev] So, are you once again "not to let them?"

[Lozbenko] By no means. We should "let them" and facilitate foreign trade in every way possible; we should become an instrument supporting it, but in a civilized manner, by using traditional customs means rather than bans. However, the bans will remain. They apply to goods the export of which undermines the economic might of the country.

[Andreyev] You mentioned the concern of the republics which are losing control over the exports of products or, for example, natural resources. However, how will the new customs legislation defend, on the one hand, the interests of the country, and on the other hand, the sovereignty of the republics?

[Lozbenko] The Customs Code is based on three main principles: unity of the customs territory of the country; unity of the legislation from which the customs service proceeds in its operations; unity of the customs service.

Therefore, the republics will advocate their interests by assigning representatives to a customs tariffs council which is being created for the first time. To be sure, the USSR president does have a right to appoint commission members from among the representatives of Union government organs, but their number should not exceed one-half of the "republic" team on the council.

Setting rates of customs duties is one of the responsibilities of the council. For example, the issue of oil is considered. Specialists from Russia and Azerbaijan, the main suppliers of oil, definitely need to find common ground which satisfies both parties.

[Andreyev] What is the function of the customs organs proper in this regard?

[Lozbenko] Our function is to supply the council with all necessary reference and other materials concerning both the movement of stocks across the border and trends in world markets. Naturally, it is also to guarantee that a license for the export of certain goods issued in, for example, Tajikistan is honored in Belorussia from which the merchandise leaves the country.

[Andreyev] Who will issue such licenses? The customs service?

[Lozbenko] The belief that we issue licenses is a common misconception. In general, this problem has not been solved yet. However, probably the republics will issue licenses for the most part.

However, we, the customs service, are precisely the ones called upon to ensure that, for example, no more oil leaves the country than is envisaged by quotas for Russia and Azerbaijan. If we notice that the quotas have been exceeded we immediately report this to the customs tariffs council. We also apply sanctions ourselves: the law has now given us such powers. Previously, we could only press charges against individuals, in keeping with our "suitcase" function, whereas at present we can press charges against corporate persons, companies, joint enterprises, and so on, fine them, confiscate their merchandise, and even investigate on our own who violated the law and how.

[Andreyev] Does the customs service have enough resources for this extensive scope of responsibilities?

[Lozbenko] This is precisely the problem. Several years ago, when we were already beginning to switch to new functions, the Soviet customs service consisted of 1,500 people—in a huge country whose perimeter is one and a half times the length of the equator! At present, there are 10,500 of us, but even this is not enough for the tasks assigned. Previously, the republics were not particularly enthusiastic about opening new customs facilities; now the republics themselves request this. Of course, personnel and premises will be needed to this end. We are going to grow both quantitatively and qualitatively.

A computer network which we are setting up will have to perform a special, absolutely necessary function. Otherwise, there is absolutely no way to track the stocks of goods moving in all directions.

[Andreyev] The "suitcase" function which you have already mentioned causes the greatest number of complaints about the customs service.

[Lozbenko] This is precisely the function which we previously performed for the most part, a function which insulted the people and demeaned us. I believe that the "suitcase," passenger-traffic sphere will be revised substantially in the immediate future. We are even beginning to incorporate in rules for our work the fact that Soviet people will be able to make money abroad. As far

as the importation of merchandise and goods acquired there is concerned, it will be regulated by means of customs duties, as is the case everywhere.

[Andreyev] Has a new customs tariff been developed by now for the environment of a market economy?

[Lozbenko] The rates of duties in the customs tariff have not been finally determined yet—a price reform is not over yet. However, a list of goods, a nomenclature, has already been prepared. I must stress that it is compiled in keeping with international standards, as well as the new customs and tariffs legislation of the USSR in its entirety which "dovetails" with world systems. We have now taken one more step toward the world economic community.

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